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October 1984

JOB SERVICE WISCONSIN

Wisconsin Employment and Economic Indicators

WISCONSIN DATA AND SOURCES

	INDICATOR	**SOURCE**
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

DATA INCLUDES ALL FULL-TIME AND PART-TIME EMPLOYES WHO WORKED DURING, OR RECEIVED PAY FOR, ANY PART OF THE PAY PERIOD WHICH INCLUDES THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED PERSONS, DOMESTIC SERVANTS AND PERSONNEL OF THE ARMED FORCES ARE EXCLUDED. PEOPLE ON SICK LEAVE, VACATIONS, OR HOLIDAYS AND BEING PAID FOR THAT PERIOD BY THEIR EMPLOYER ARE CONSIDERED EMPLOYED. EARNINGS AND HOURS DATA PERTAIN TO PRODUCTION AND RELATED WORKERS IN MANUFACTURING INDUSTRIES. THE EARNINGS FIGURES ARE "GROSS" FIGURES, THAT IS, THEY REFLECT CHANGES IN WAGE RATES, SHIFT DIFFERENTIALS, AND PREMIUM PAY FOR OVERTIME WORK. THE HOURS FIGURES RELATE TO THE HOURS FOR WHICH PAY WAS RECEIVED AND ARE DIFFERENT FROM SCHEDULED OR STANDARD WORK HOURS.

ALL CURRENT MONTH DATA ARE PRELIMINARY. DUE TO BENCHMARK REVISIONS CURRENTLY-PUBLISHED DATA MAY DIFFER FROM PREVIOUSLY-PUBLISHED DATA FOR THE SAME MONTH. WISCONSIN DATA ARE CURRENTLY ADJUSTED TO EMPLOYMENT LEVELS OF 4TH QUARTER, 1982. BENCHMARK REVISIONS DURING THE MOST RECENT THREE YEARS FOR WISCONSIN TOTAL NONAGRICULTURAL EMPLOYMENT HAVE AVERAGED 0.6 PERCENT.

THE WISCONSIN ECONOMY

SUMMARY FOR SEPTEMBER

WISCONSIN'S LEADING INDICATORS OF ECONOMIC ACTIVITY ARE POINTING TO A PAUSE IN SEPTEMBER. WHILE AT LEAST SOME OF THE INDICATORS SHOWED SOME POSITIVE GROWTH, THE INCREASE IS LESS THAN NORMAL FOR SEPTEMBER.

THE STATE'S EMPLOYMENT, UNEMPLOYMENT, AND LABOR FORCE SITUATION IN SEPTEMBER HAD SOME PLUSES AND SOME NEGATIVES. WHILE EMPLOYMENT IS AT THE HIGHEST LEVEL IN THREE YEARS AND UNEMPLOYMENT AT THE LOWEST, IMPROVEMENT FROM ONE MONTH EARLIER IS DISAPPOINTING.

LEADING INDICATORS

The average number of hours worked per week by manufacturing production workers increased slightly in September...but only slightly and less than the seasonally normal amount. Thus, the trend is down. Overtime hours in manufacturing remained constant, when, if the seasonal pattern was followed, they should have increased.

The average number weekly initial claims for unemployment compensation decreased by over 400 per week, but again, that drop should have been greater for September.

The single indicator showing positive gains in both actual number and trend for September is the number of business primary telephone access lines.

WISCONSIN LABOR FORCE

Unemployment throughout the state declined by 6,700 in September. That brings unemployment to its lowest level in the last three years. The number of jobless people peaked at about 335,000 at the depth of the last recession, and is estimated at less than half of that - 156,200 - in mid-September. However, the drop in the number of unemployed was the smallest August-to-September change in five years.

Employment at the same time decreased by 1,100 job-holders. That is a relatively weak decline. However, employment has grown between August and September in 8 out of the last 10 years. Non-farm wage and salary employment has reached its highest level in three years and, for the twelfth consecutive month, non-farm wage and salary employment is higher than the same month of one year earlier.

Local government clearly was the standout in September among all categories of payroll employment, accounting for 19,500 additional jobs. The added government employment resulted from hiring by mostly local units of government.

Manufacturing, the largest component of payroll employment, eliminated 4,200 jobs, which is unusual for September.

Two sectors -the services sector and the finance, insurance and real estate sector - cut employment, but by normal or less-than-normal numbers.

The trade sector showed relative improvement, gaining 600 jobs rather than losing its usual average of 2,600 in September.

Both the construction industry and the transportation and public utilities sector recorded normal or slightly better-than-normal gains.

It appears that the generally improving job market of recent months finally encouraged large numbers of people to enter, reenter, or remain in the labor force in anticipation of jobs. A developing recovery usually attracts people into the labor force, sometimes even in greater numbers than can be absorbed immediately.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	70.7 Sep	74.1	69.4	-4.6	1.9	58.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.2 Sep	41.0	41.6	0.5	-1.0	40.7
Seasonally Adjusted		41.0	41.1	41.4	-0.2	-1.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.6 Sep	3.6	3.7	0.0	-2.7	2.8
Seasonally Adjusted		3.0	3.2	3.1	-6.2	-3.2	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	7,569 Sep	8,005	7,811	-5.4	-3.1	14,694
Seasonally Adjusted		10,859	10,031	11,210	8.3	-3.1	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	9,373 Sep	14,386	8,101	-34.8	15.7	7,099
Seasonally Adjusted		7,398	9,546	6,394	-22.5	15.7	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	419 Sep	521	555	-19.6	-24.5	544
Seasonally Adjusted		413	560	547	-26.2	-24.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	1,849 Sep	617	1,871	199.7	-1.2	892
Seasonally Adjusted		634	301	850	110.6	-25.4	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	523 Sep	538	440	-2.8	18.9	275
Seasonally Adjusted		472	520	397	-9.2	18.9	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	57 Sep	52	57	8.8	0.0	38
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.5 Sep	6.7	7.9	–	–	10.4
Seasonally Adjusted		7.4	7.2	9.1	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	115.5 Aug	110.0	115.6	5.0	-0.1	247.9
Seasonally Adjusted		240.1	239.7	240.3	0.2	-0.1	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	17,917 Sep	17,709	10,873	1.2	64.8	14,429
Seasonally Adjusted		20,711	14,741	12,569	40.5	64.8	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	2052.2 Aug	1958.2	1959.7	4.8	4.7	1,765
Seasonally Adjusted		1919.7	1840.4	1833.3	4.3	4.7	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	113.6 Sep	85.7	209.1	32.6	-45.7	143.3
Seasonally Adjusted		144.7	135.0	266.5	7.2	-45.7	

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WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME							
Unadjusted	MIL. DOL.	4,788 Jul	4,837	4,426	-1.0	8.2	4,449
Seasonally Adjusted		4,783	4,803	4,421	-0.4	8.2	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	408.29 Sep	403.03	402.27	1.3	1.5	398.01
Seasonally Adjusted		410.34	413.36	404.29	-0.7	1.5	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	420.8 Jul	433.0	427.2	-2.8	-1.5	415.3
Seasonally Adjusted		408.9	444.6	415.0	-0.8	-1.5	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	65.0 Sep	64.3	61.5	1.1	5.7	55.0
Seasonally Adjusted		58.1	56.8	55.0	2.3	5.6	
OTHER KEY INDICATORS							
XI BIRTH REGISTRATIONS							
Unadjusted	NUMBER	6,280 Sep	6,114	6,628	2.7	-5.3	6,006
Seasonally Adjusted		5,981	5,817	6,312	2.8	-5.2	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	2,906 Sep	3,042	3,278	-4.5	-11.3	3,391
Seasonally Adjusted		2,962	3,307	3,343	-10.4	-11.4	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	3,374 Sep	3,072	3,350	9.8	0.7	2,615
Seasonally Adjusted		2,962	2,575	2,941	15.0	0.7	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	4,931 Sep	5,496	5,190	-10.3	-5.0	3,340
Seasonally Adjusted		3,612	3,857	3,802	-6.4	-5.0	
X5 CONSUMER PRICE INDEX (MILW.)			(Jul)				
Unadjusted	INDEX	324.0 Sep	321.3	313.9	0.8	3.2	309.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	142 Sep	144	142	-1.4	0.0	142
Seasonally Adjusted		142	145	142	-2.1	0.0	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	8,748 Sep	2,873	10,266	204.5	-14.8	872
Seasonally Adjusted		824	119	587	314.1	40.4	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	464 Sep	104	7,515	346.2	-93.8	2,542
Seasonally Adjusted		354	61	5,726	480.3	-93.8	
X9 MANUFACTURING EMPL.							
Unadjusted	THOUS.	519.6 Sep	523.5	504.9	-0.7	2.9	486.0
Seasonally Adjusted		504.0	509.2	489.6	-1.0	2.9	

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B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2421.4	2429.2	2418.2	-0.3	0.1
Employment (Inc. Labor Disputes)	2265.1	2266.2	2227.7	-0.0	1.7
Unemployment	156.2	162.9	190.5	-4.1	-18.0
Unemployment Rate	6.5	6.7	7.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2430.6	2422.3	2386.7	0.3	1.8
Employment (Inc. Labor Disputes)	2249.6	2247.0	2169.5	0.1	3.7
Unemployment	181.0	175.3	217.2	3.3	-16.7
Unemployment Rate	7.4	7.2	9.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1949.6	1929.6	1876.4	1.0	3.9
Unadjusted					
Manufacturing	519.2	523.4	497.4	-0.8	4.4
Mining	2.8	2.9	2.7	-3.4	3.7
Contract Construction	65.0	64.3	61.5	1.1	5.7
Transportation and Public Utilities	87.3	83.5	87.1	4.6	0.2
Elec., Gas and Sanitary Services	17.1	17.6	16.7	-2.8	2.4
Wholesale Trade	102.0	103.1	96.8	-1.1	5.4
Retail Trade	353.1	351.5	335.8	0.5	5.2
General Merchandise	45.3	44.8	43.3	1.1	4.6
Finance, Insurance and Real Estate	100.0	100.8	97.5	-0.8	2.6
Banking	27.7	27.8	26.8	-0.4	3.4
Insurance	31.5	31.7	31.8	-0.6	-0.9
Service and Miscellaneous	409.0	409.5	390.1	-0.1	4.8
Hospitals	70.9	71.3	74.2	-0.6	-4.4
Private Education	24.7	21.1	22.4	17.1	10.3
Government	311.2	290.8	307.4	7.0	1.2
State Government	75.4	74.3	80.5	1.5	-6.3
Local Government	207.3	187.8	198.9	10.4	4.2

UNITED STATES LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	113,699	113,494	112,229	0.2	1.3
Employment	105,239	104,969	101,876	0.3	3.3
Unemployment	8,460	8,526	10,353	-0.8	-18.3
Unemployment Rate	7.4	7.5	9.2	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* SEPTEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	519.2	523.4	497.4
All Manufacturing (Excluding Canning)	499.2	502.8	478.1
Durable Goods	318.5	317.9	297.9
Lumber and Wood Prod., (Except Furniture)	22.7	23.0	21.0
Sawmills and Planning Mills	2.9	2.7	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.2	10.5	9.7
Furniture and Fixtures	10.1	10.1	9.2
Household Furniture	4.7	4.6	4.0
Stone, Clay and Glass Products	8.5	8.5	8.6
Concrete, Gypsum and Plaster Products	3.9	3.9	4.1
Primary Metal Industries	20.8	20.6	18.5
Iron and Steel Foundries	11.7	11.5	10.0
Fabricated Metal Products	50.9	50.9	49.8
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.9	5.1	5.2
Fabricated Structural Metal Products	12.8	12.7	11.5
Metal Stampings	12.3	12.2	13.0
Machinery (Except Electrical)	98.2	97.6	86.5
Engines and Turbines	18.9	18.8	11.5
Farm Machinery and Equipment	12.9	12.9	12.9
Const., Min. & Material Handling Mach. & Equip.	13.1	13.0	12.9
Metalworking Machinery and Equipment	10.4	10.4	9.7
Special Industry Machinery (Except Metalworking)	10.2	10.1	9.6
General Industrial Machinery and Equipment	14.5	14.4	13.3
Service Industry Machines	7.6	7.6	7.3
Electrical Machinery, Equipment and Supplies	50.0	50.2	49.5
Electrical Industrial Apparatus	16.9	17.0	16.8
Household Appliances	6.6	6.6	6.6
Transportation Equipment	36.2	36.0	34.8
Motor Vehicles and Equipment	29.4	29.2	28.4
Instruments and Related Products	10.5	10.5	10.0
Miscellaneous Manufacturing	10.5	10.6	10.1
Nondurable Goods	200.7	205.5	199.5
Food and Kindred Products	70.6	73.2	72.4
Meat Products	12.7	14.2	13.7
Dairy Products	16.7	17.0	17.6
Canning and Preserving	20.1	20.6	19.3
Bakery Products	4.4	4.3	4.9
Beverage Industries	9.3	9.6	9.8
Textile Mill Products	5.1	5.2	4.5
Knitting Mills	4.4	4.4	3.7
Apparel and Other Finished Products	6.9	7.1	6.8
Paper and Allied Products	46.8	48.4	47.0
Pulp and Paper Mills	28.7	30.2	29.0
Converted Paper and Paperboard Products	9.5	9.6	9.5
Paperboard Containers and Boxes	7.4	7.3	7.4
Printing, Publishing and Allied Industries	34.1	34.3	32.8
Newspapers	11.0	11.0	10.5
Commercial Printing	14.2	14.3	13.7
Chemicals and Allied Products	9.4	9.6	9.3
Rubber and Misc. Plastics Products	19.1	19.1	17.6
Miscellaneous Plastics Products	14.4	14.5	13.3
Leather and Leather Products	8.3	8.3	8.8
Leather Tanning and Finishing	2.1	2.1	2.6
Footwear (Except Rubber)	4.4	4.3	4.4
Other Nondurable Goods	–	–	–

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* SEPTEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$408	$403	$402	41.2	41.0	41.6
All Manufacturing (Excl. Canning)	417	412	412	41.2	41.0	41.4
Durable Goods	424	419	412	41.2	41.1	41.2
Lumber/Wood Prod. (Exc. Furn.)	300	304	309	40.5	40.8	42.0
Furniture and Fixtures	314	311	316	41.9	41.8	42.3
Stone, Clay and Glass Products	395	399	382	41.8	41.7	42.0
Primary Metal Industries	412	403	387	42.5	41.8	40.8
Iron and Steel Foundries	420	418	396	42.9	42.5	41.0
Fabricated Metal Products	402	402	403	39.7	40.3	40.7
Fab. Structural Metal Prod.	439	432	415	43.0	42.6	41.5
Metal Stampings	365	371	376	36.6	38.1	39.6
Machinery (Except Electrical)	475	469	444	41.7	41.4	41.0
Engines and Turbines	493	480	439	41.2	40.5	40.2
Farm Machinery and Equip.	505	507	507	41.3	41.2	42.2
Const. and Related Mach.	501	489	470	42.0	41.4	40.9
Metalworking Mach. and Equip.	515	503	434	44.0	43.5	39.9
Spec. Ind. Mach. (Exc. Metal) .	480	481	474	43.3	43.2	44.3
Gen. Industrial Mach. and Equip.	490	502	457	41.5	42.5	40.6
Electrical Mach., Equip. and Supp.	396	390	382	41.3	41.1	40.9
Electrical Industrial Apparatus	449	436	419	43.4	42.5	42.2
Transportation Equipment	554	535	567	41.6	40.7	42.4
Instruments and Related Prod.	344	346	342	40.0	40.5	38.0
Nondurable Goods	382	379	388	41.1	40.9	42.2
Food and Kindred Products	330	336	351	40.1	40.0	42.2
Meat Products	317	364	421	38.5	39.1	41.2
Dairy Products	388	372	375	40.6	39.3	40.7
Textile Mill Products	288	289	267	41.1	41.3	39.0
Apparel and Other Fin. Prod.	233	230	231	37.8	37.9	39.2
Paper and Allied Products	515	510	491	45.7	45.6	45.3
Pulp and Paper Mills	556	550	526	46.8	46.8	46.2
Printing, Pub. and Allied Prod.	432	408	462	39.1	38.3	40.6
Chemicals and Allied Products	435	430	434	41.2	41.1	42.4
Rubber and Misc. Plastics Prod.	326	330	326	40.1	39.9	40.2
Leather and Leather Products.	251	250	262	37.8	37.7	39.5

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* SEPTEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	9.91	9.83	9.67	9.54	9.48	9.31
All Manufacturing (Excl. Canning)	10.13	10.05	9.95	9.74	9.68	9.56
Durable Goods	10.30	10.20	10.01	9.95	9.86	9.70
Lumber/Wood Prod. (Exc. Furn.)	7.41	7.44	7.36	7.37	7.30	7.16
Furniture and Fixtures	7.49	7.45	7.46	7.38	7.32	7.37
Stone, Clay and Glass Products	9.46	9.58	9.10	9.16	9.27	8.86
Primary Metal Industries	9.70	9.63	9.48	9.26	9.20	9.20
Iron and Steel Foundries	9.80	9.84	9.66	9.39	9.40	9.40
Fabricated Metal Products	10.13	9.98	9.89	9.64	9.54	9.48
Fab. Structural Metal Prod.	10.21	10.13	9.99	9.65	9.64	9.67
Metal Stampings	9.97	9.75	9.49	9.78	9.59	9.25
Machinery (Except Electrical)	11.38	11.33	10.84	11.03	11.01	10.64
Engines and Turbines	11.96	11.84	10.92	11.66	11.57	10.68
Farm Machinery and Equip.	12.23	12.31	12.01	12.05	12.12	11.79
Const. and Related Mach.	11.92	11.80	11.49	11.60	11.58	11.32
Metalworking Mach. and Equip.	11.70	11.57	10.87	11.05	11.01	10.66
Spec. Ind. Mach. (Exc. Metal).	11.09	11.14	10.71	10.58	10.60	10.41
Gen. Industrial Mach. and Equip.	11.80	11.80	11.26	11.34	11.29	11.00
Electrical Mach., Equip. and Supp.	9.58	9.48	9.33	9.29	9.27	9.14
Electrical Industrial Apparatus	10.34	10.26	9.92	10.00	10.16	9.69
Transportation Equipment	13.32	13.15	13.37	12.76	12.57	12.70
Instruments and Related Prod.	8.61	8.55	8.99	8.46	8.33	8.79
Nondurable Goods	9.29	9.27	9.19	8.88	8.89	8.73
Food and Kindred Products	8.22	8.39	8.31	7.92	8.10	7.92
Meat Products	8.23	9.31	10.21	7.97	8.98	9.59
Dairy Products	9.56	9.47	9.22	9.14	9.09	8.81
Textile Mill Products	7.01	7.00	6.84	6.71	6.70	6.62
Apparel and Other Fin. Prod.	6.17	6.07	5.90	6.02	5.96	5.50
Paper and Allied Products	11.27	11.19	10.83	10.73	10.71	10.28
Pulp and Paper Mills	11.88	11.76	11.38	11.33	11.27	10.82
Printing, Pub. and Allied Prod.	11.05	10.64	11.38	–	–	–
Chemicals and Allied Products	10.55	10.47	10.23	10.29	10.23	9.97
Rubber and Misc. Plastics Prod.	8.14	8.26	8.12	7.87	7.86	7.83
Leather and Leather Products.	6.63	6.63	6.63	6.58	6.55	6.41

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* SEPTEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$375	$369	$363	40.7	40.4	40.8	9.22	9.14	8.89	–	–
Wisconsin	408	403	402	41.2	41.0	41.6	9.91	9.83	9.67	9.54	9.48
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	416	406	406	42.7	42.2	43.0	9.74	9.61	9.45	9.28	9.18
Beloit (City)	368	362	447	39.4	38.8	46.8	9.34	9.35	9.54	–	–
Eau Claire (Eau Claire-Chippewa)	409	437	384	41.0	42.0	40.9	9.97	10.40	9.39	9.77	9.93
Fond du Lac (County)	387	383	356	42.7	42.7	41.2	9.06	8.97	8.64	8.66	8.56
Green Bay (Brown County)	427	423	427	40.9	40.5	42.3	10.43	10.44	10.09	9.92	9.98
Janesville (City)	550	489	586	41.9	38.8	41.0	13.12	12.61	14.30	12.75	12.30
Janesville-Beloit (Rock County)	477	440	501	40.8	38.9	42.2	11.68	11.31	11.88	11.32	10.99
Kenosha (County)	480	478	515	40.4	40.6	42.6	11.88	11.77	12.08	11.45	11.26
La Crosse (County)	342	338	340	38.9	38.3	39.1	8.79	8.83	8.70	8.41	8.50
Madison (Dane County)	391	418	379	43.7	43.4	41.2	8.95	9.63	9.21	8.44	8.97
Manitowoc (County)	313	324	320	35.9	37.9	38.4	8.72	8.53	8.32	8.52	8.31
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	467	458	442	41.4	40.9	41.0	11.28	11.20	10.79	10.78	10.73
Racine (County)	427	425	420	39.5	39.6	41.1	10.80	10.73	10.22	10.36	10.31
Sheboygan (County)	369	372	376	38.8	39.5	40.4	9.50	9.41	9.31	9.19	9.10
Wausau (Marathon County)	393	396	393	41.6	42.2	42.4	9.44	9.38	9.28	9.03	8.94

EMPLOYMENT, MFG. *(Unadjusted)* SEPTEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,894.0	19,850.0	18,971.0	0.2	4.9
Wisconsin	519.2	523.4	497.4	-0.8	4.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.0	48.6	46.6	-1.2	3.0
Beloit (City)	5.4	5.3	5.8	1.9	-6.9
Eau Claire (Eau Claire-Chippewa)	9.2	9.3	9.2	-1.1	0.0
Fond du Lac (County)	10.3	10.2	9.8	1.0	5.1
Green Bay (Brown County)	22.8	23.5	21.9	-3.0	4.1
Janesville (City)	11.3	11.2	10.7	0.9	5.6
Janesville-Beloit (Rock County)	19.1	19.0	18.8	0.5	1.6
Kenosha (County)	17.8	18.0	17.4	-1.1	2.3
La Crosse (County)	10.8	10.7	10.1	0.9	6.9
Madison (Dane County)	19.2	20.5	19.5	-6.3	-1.5
Manitowoc (County)	11.3	11.3	12.3	0.0	-8.1
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.8	169.6	158.0	0.1	7.5
Racine (County)	25.0	25.1	24.5	-0.4	2.0
Sheboygan (County)	19.1	19.3	17.7	-1.0	7.9
Wausau (Marathon County)	11.8	11.8	11.3	0.0	4.4

UNEMPLOYMENT STATISTICS UNDISGUISED

by Joseph Tumpach, Jr.

"I don't believe the unemployment rate is so low. You can prove anything you want with statistics. You can lie with statistics." Such a statement is likely in the thoughts of many who hear official government figures on one hand and know friends and neighbors out of work on the other. We hear official talk of a "full-employment rate" of 4.5, 6, or even 6.5 percent unemployment. Many wonder how there can be full employment when 6.5 percent of the labor force is unemployed.

An opposite argument exists. "Numbers don't lie. Figures express impersonal, hard, cold fact. Those who don't trust numbers reveal their own ignorance in dealing with numbers." It is certainly true that many people are uncomfortable with numbers. And, employment and unemployment statistics can be confusing.

These attitudes are particularly distressing because unemployment statistics - the unemployment rate, in particular - are almost universally watched, and are front-page and nationally-broadcast news. Ask an individual, even someone with absolutely no interest in economics, to name a statistic from the news. He or she will probably mention the unemployment rate....

One fear attending the unemployment figures is that they are produced by government agencies and that politicians can manipulate the statistics for political purposes...particularly the national figures. The logic is that we can sense a too low unemployment rate when several of our neighbors are out of work or if the help-wanted ads in the local newspaper are scarce. But, how can we have a feeling for unemployment throughout the country? We must trust the national bureaucrats when they proclaim unemployment decreased by 8 million.

That political problem was foreseen 100 years ago when President Chester Arthur signed the bill creating the national Bureau of Labor Statistics. The commissioner of the Bureau, to this day, is appointed to a fixed 4-year term, unlike cabinet officers and other political appointees who serve at the pleasure of the President. Thus, the Bureau is assured of stability and independence from political pressure. Yet, the national unemployment rate is criticized. One of the difficulties is that no single definition of what constitutes unemployment has been devised that satisfies all economic and social groups concerned with such statistics. Uncounted, for example, are unemployed persons who become discouraged from seeking work and drop out of the labor force. Included, however, as unemployed are people waiting to be recalled to a job from which they had been laid off, and people waiting to report to a new job within 30 days. While these people are unemployed, they fully expect to report to a job. Thus, a full-employment unemployment rate of, say, six percent, results.

In addition to the national employment, unemployment and labor force figures published each month by the Bureau of Labor Statistics, each state government publishes a set of figures for its state. Regardless of whose numbers one looks at, all the figures are estimates, not actual counts.

The national BLS estimates are derived from a random survey of over 50 thousand households across the nation.. This survey, called the Current Population Survey or CPS, captures a statistically reliable sample of employment and unemployment. Accurate and reliable estimates can be obtained from sampling. The national employment and unemployment data, as well as data for the most populated states, is sound because the CPS sample is large

Because the CPS sample is not large enough in Wisconsin, however, the state's Department of Industry, Labor and Human Relations must use a combined approach to estimate employment and unemployment. Unlike the sampling procedure used in the CPS method, the state's "Handbook" method uses counts such as the number of people working for Unemployment Compensation-covered employers, and the number of people collecting unemployment checks. Since these counts are only a portion of the defined employed and unemployed, estimates of unpaid family workers, self-employed, new labor force entrants, and re-entrants are calculated to arrive at employment and unemployment totals. The numbers arrived at by the Handbook method must then be adjusted to those resulting from the CPS method. "...must then be adjusted..."?

Why adjust the numbers to make the two results match? Isn't that manipulation of the figures? Here's why. Congress decided to use the unemployment rate as a guide for allocating the large pool of federal funds to the various states. The allocation process goes like this: the national CPS estimates of employment and unemployment are the standard that all states must adjust to when determining unemployment rates. In other words, to make the allocation process work, state unemployment totals must add to 100 percent of the national figure. If it turns out that Wisconsin has, say, two percent of the total U.S. unemployment, then our state receives two percent of the federally allocated funds. That explains the seemingly-unnecessary adjustment.

But does that mean Wisconsin's Handbook estimates are less accurate than the CPS estimates? No. In fact, we know that the CPS survey introduces random error into the state estimates. However, the Handbook method is unfair for use as a federal resource allocator. Briefly, such things as state unemployment compensation laws affect the unemployment rate. Wisconsin, compared to many other states, has a rather liberal law. In our state, the burden of proof as to whether a claimant is actually seeking work (and thus counted as unemployed) lies with the state. In many other states, the burden of proof is on the claimant. Consequently, a more liberal state such as Wisconsin would tend to report higher unemployment, and be eligible for more federal dollars.

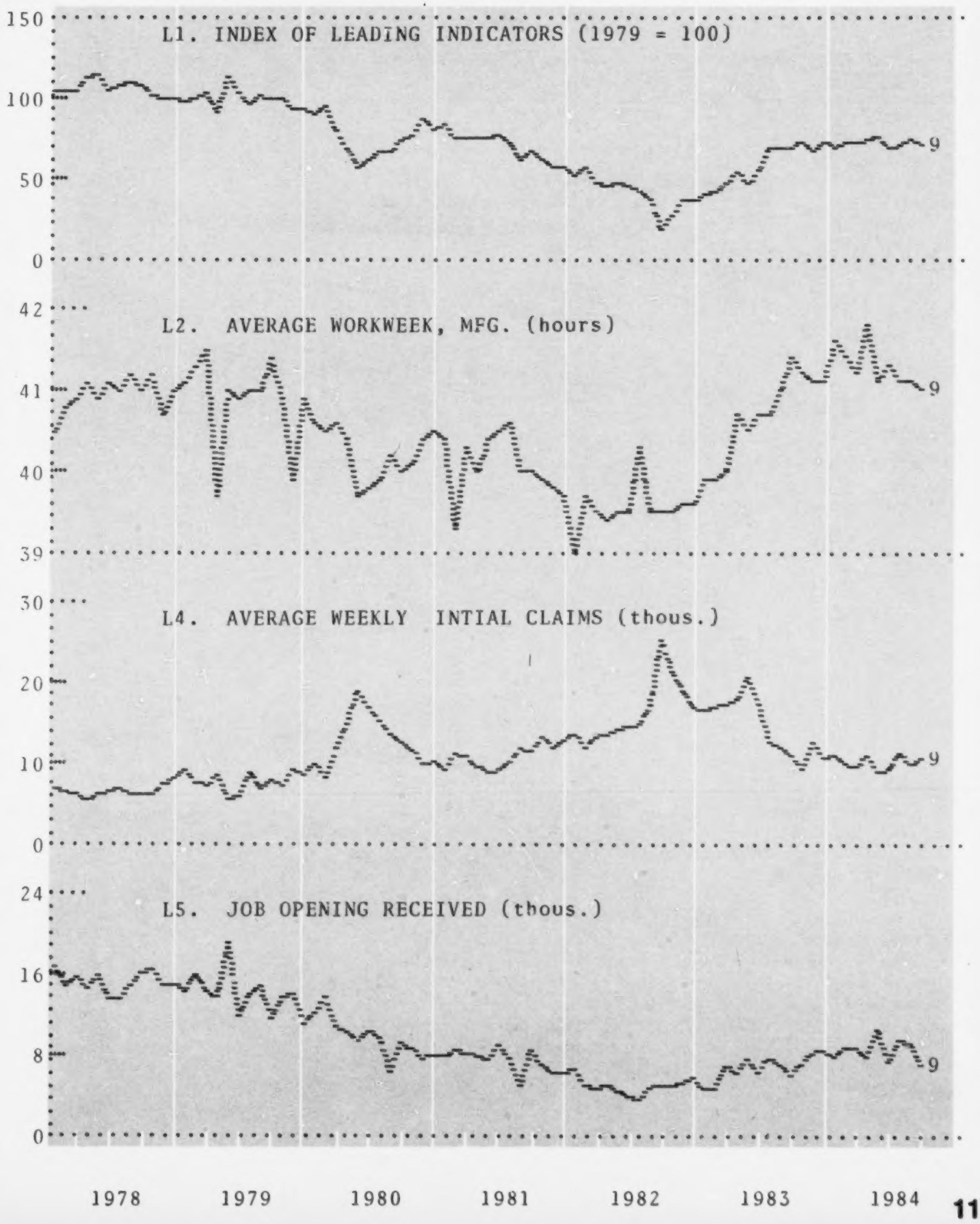
Another perspective of the employment and unemployment numbers provides business managers, union leaders, educators, government officials and workers with data necessary to evaluate trends and cycles in the employment situation. To judge trends in the labor market from month to month, seasonal adjustment is necessary. Seasonally adjusted employment and unemployment numbers do not represent numbers of workers employed and unemployed; they represent a short-term trend. Employment is influenced by forces related to the season of the year. Seasonally overloaded employment situations occur, for example, in construction activities, as might be expected, in June, July and August. While high unemployment for construction workers occurs in January, February and March. Retail trade employment is seasonally affected in November and December as christmas buying traditionally begins

(Continued on back cover)

Section

D

CYCLICAL INDICATORS



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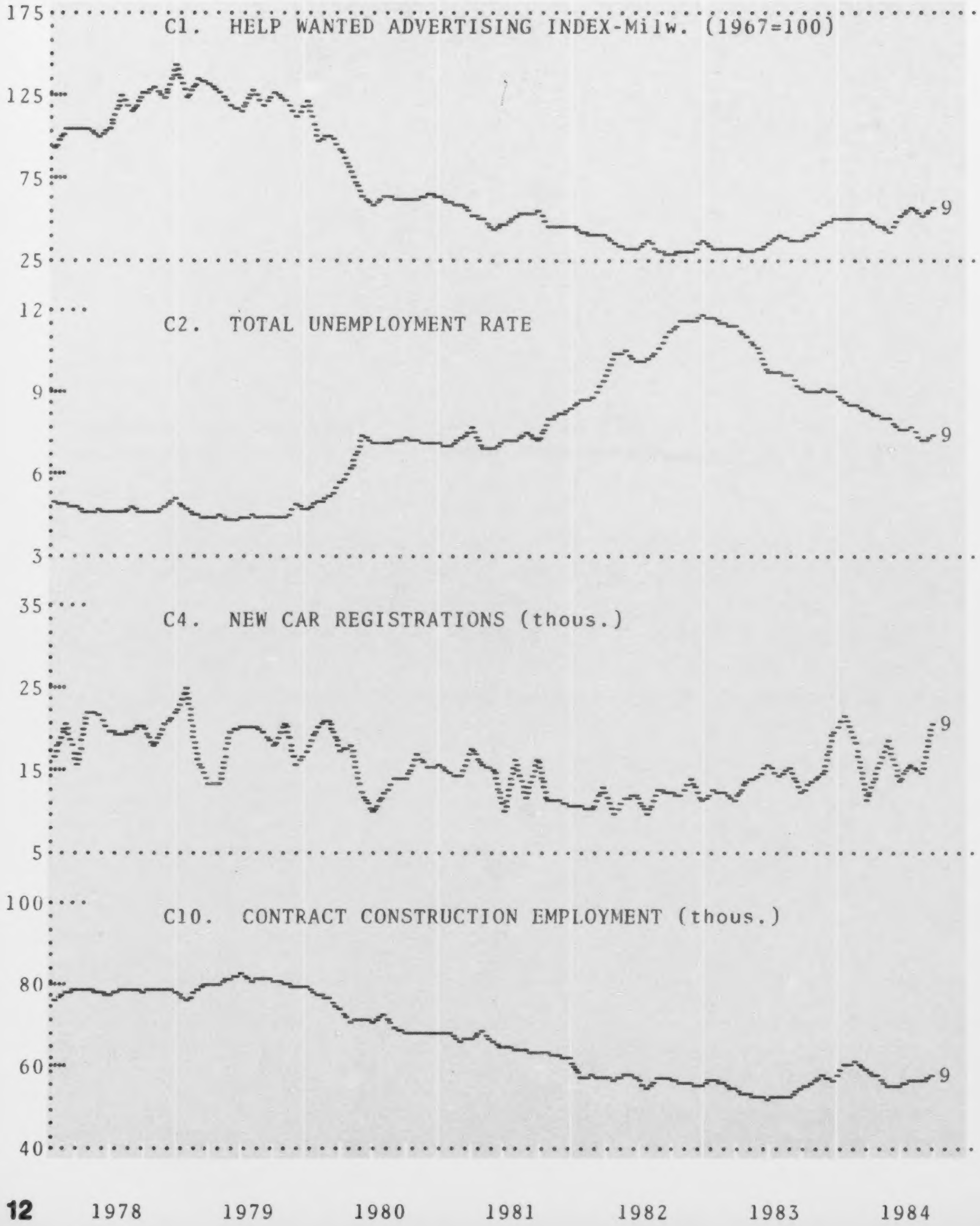
CYCLICAL INDICATORS



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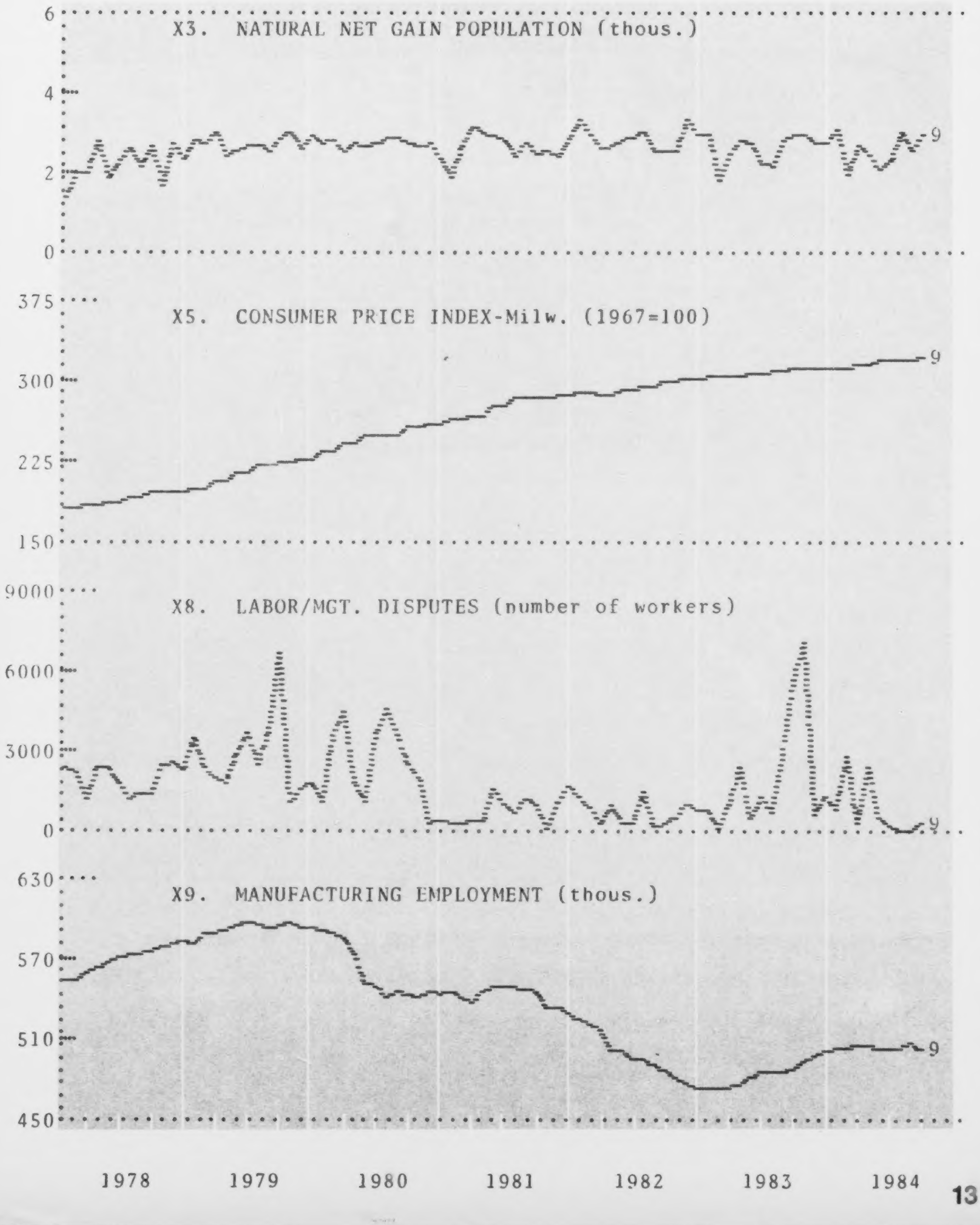
CYCLICAL INDICATORS



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(Continued from Page 10)

after Thanksgiving. Employment data which is not seasonally adjusted might suggest an economic turning-point which in reality is nothing more than a seasonal concern.

Suppose, for example, a specific area normally employs 1,000 construction workers in August and 900 during September. If, during 1984, construction employment was 1,000 and 950 for August and September, a person unfamiliar with the area's usual employment situation might be alarmed at the 5 percent decrease. However, a labor market analyst might report that seasonally adjusted construction figures might have been 850 in August and 900 in September (depending on the seasonal adjustment factors for those months). In fact, the trend would be up for construction employment despite a decrease in the actual number of workers employed. Unadjusted, construction employment decreased; seasonally adjusted, it increased.

The employment and unemployment figures produced each month, whether seasonally adjusted or not, are estimates only, whether Wisconsin's estimates or national. Can we ever determine the amount of error in sample-based estimates? Yes, with benchmarking. An employment benchmark is a reasonably complete count of employment. The rebenchmarking of employment and unemployment figures is done once a year. Each monthly estimate for the past two years is adjusted so that the final monthly estimate agrees with the complete-count benchmark. Information on which to build Wisconsin industry employment and unemployment benchmarks comes from employers. Each employer, except non-profit industries and inter-state railroads, must file quarterly reports on their employment level. These reports determine the unemployment compensation tax obligation of an employer. The non-profit and railroad industry workers are accounted for, and thus, the sample-derived estimates are adjusted to a true count of employment and unemployment.

November 1984

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Wisconsin Employment and Economic Indicators

ECONOMIC FORECAST

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR OCTOBER

WISCONSIN'S LEADING INDICATORS OF ECONOMIC ACTIVITY WERE MIXED IN OCTOBER. EMPLOYMENT AND UNEMPLOYMENT FIGURES SHOWED SUBPAR PERFORMANCE BETWEEN SEPTEMBER AND OCTOBER, BUT SLUGGISH EMPLOYMENT GROWTH IS NORMAL FOR THE FINAL QUARTER OF THE YEAR.

LEADING INDICATORS

Wisconsin's Index of Leading Indicators decreased in October to its lowest level since June. The index compares the values of several leading indicators of economic activity to the level of those same indicators during the base year of 1977. The composite index has been erratic during 1984, showing no strong, established economic trend.

The average number of hours worked by production workers in manufacturing decreased by half an hour in October. A decrease is usual, however, in the September to October period. When adjusted for the normal seasonal pattern, the workweek average was off by only two-tenths of an hour from September. The average number of overtime hours worked per week in manufacturing also decreased in October. But again, that is the normal pattern for the September to October period. In fact, September historically has the highest overtime average of any month. October's expected decrease in overtime hours, however, was less than the usual decrease.

The average weekly number of initial claims for unemployment compensation jumped up by over 4-thousand in October. An increase is normal for October, but this month's growth is well above the usual trend. When adjusted for the seasonal effect, the weekly average claims trend is still up, but by a much smaller magnitude. Affecting this month's claims was a short-duration, mass layoff in the state's automotive vehicle manufacturing industry - a one week layoff for retooling for new-year models.

The number of job orders placed by employers with Job Service offices throughout the state decreased only slightly in October. The job openings received number usually decreases significantly between September and October, thus, this month's level is well above the normal trend.

New business incorporations also showed a large increase in October. This is the first increase of incorporations since July; and is the largest month-to-month increase this year. The total number of incorporations, however, is about average for the months of the latest recovery.

The number of building plans examined by state officials increased sharply in October. Building plans for commercial and industrial structures must be inspected for safety purposes. This month's plans examined number is the highest since mid-1979. An increase in plans examined portends an increase in construction activity.

WISCONSIN LABOR FORCE

Total employment declined a bit more than normal, and the number of unemployed increased more than normal in the September to October period. The employment decline was primarily among the self-employed, agricultural workers and others in non-business payroll employment. Nonfarm wage and salary employment, by contrast, showed a much less than normal seasonal decline. Another factor pushing up the unemployment rate was that more people than usual stayed in the labor force looking for work, or began looking for work, in October.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME							
Unadjusted	MIL. DOL.	4,788 Jul	4,837	4,426	-1.0	8.2	4,449
Seasonally Adjusted		4,783	4,803	4,421	-0.4	8.2	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	404.56 Oct	408.70	403.60	-1.0	0.2	398.01
Seasonally Adjusted		405.78	410.75	404.63	-1.2	0.3	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	444.3 Aug	424.1	449.9	4.8	-1.2	415.3
Seasonally Adjusted		420.3	412.1	425.7	2.0	-1.3	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	64.7 Oct	64.9	63.1	-0.3	2.5	55.0
Seasonally Adjusted		57.4	58.0	56.0	-1.0	2.5	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	7,226 Oct	6,280	6,128	15.1	17.9	6,006
Seasonally Adjusted		7,496	5,981	6,356	25.3	17.9	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,726 Oct	2,906	3,285	28.2	13.4	3,391
Seasonally Adjusted		3,833	2,962	3,380	29.4	13.4	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	3,500 Oct	3,374	2,843	3.7	23.1	2,615
Seasonally Adjusted		3,646	2,962	2,960	23.1	23.2	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	4,981 Oct	4,931	4,527	1.0	10.0	3,340
Seasonally Adjusted		5,093	3,612	4,630	41.0	10.0	
X5 CONSUMER PRICE INDEX (MILW.)			(Jul)				
Unadjusted	INDEX	324.0 Sep	321.3	313.9	0.8	3.2	309.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	143 Oct	144	142	-0.7	0.7	142
Seasonally Adjusted		143	144	142	-0.7	0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	1,744 Oct	8,748	1,389	-80.1	25.6	872
Seasonally Adjusted		1,386	824	602	68.2	130.2	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	750 Oct	464	10,474	61.6	-92.8	2,542
Seasonally Adjusted		511	354	7,133	44.4	-92.8	
X9 MANUFACTURING EMPL.							
Unadjusted	THOUS.	510.2 Oct	519.3	500.6	-1.8	1.9	486.0
Seasonally Adjusted		505.1	503.7	495.8	0.3	1.9	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES OCTOBER	(In Thousands) Latest Month	 Month Ago	 Year Ago	Pct. Chg. Month Ago	 Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2414.4	2425.8	2416.1	-0.5	-0.1
Employment (Inc. Labor Disputes)	2245.2	2268.3	2226.0	1.0	0.9
Unemployment	169.2	157.6	190.1	7.4	-11.0
Unemployment Rate	7.0	6.5	7.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2439.6	2434.3	2404.3	0.2	1.5
Employment (Inc. Labor Disputes)	2252.0	2253.0	2187.4	-0.0	3.0
Unemployment	187.6	181.3	216.9	3.5	-13.5
Unemployment Rate	7.7	7.4	9.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES OCTOBER	(In Thousands) Latest Month	 Month Ago	 Year Ago	Pct. Chg. Month Ago	 Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1953.0	1953.7	1882.1	-0.0	3.8
Unadjusted					
Manufacturing	509.5	518.9	490.2	-1.8	3.9
Mining	2.8	2.8	2.7	0.0	3.7
Contract Construction	64.7	64.9	63.1	-0.3	2.5
Transportation and Public Utilities	88.5	87.3	88.3	1.4	0.2
Elec., Gas and Sanitary Services	17.2	17.1	16.6	0.6	3.6
Wholesale Trade	102.2	102.0	97.0	0.2	5.4
Retail Trade	355.3	353.5	337.1	0.5	5.4
General Merchandise	46.8	45.7	44.0	2.4	6.4
Finance, Insurance and Real Estate	100.3	100.0	97.6	0.3	2.8
Banking	27.7	27.7	27.0	0.0	2.6
Insurance	31.8	31.5	31.7	1.0	0.3
Service and Miscellaneous	405.4	407.1	388.5	-0.4	4.4
Hospitals	70.4	70.9	74.1	-0.7	-5.0
Private Education	24.2	23.0	23.4	5.2	3.4
Government	324.4	317.2	317.6	2.3	2.1
State Government	82.5	81.4	81.7	1.4	1.0
Local Government	213.6	207.3	208.2	3.0	2.6

UNITED STATES LABOR FORCE ESTIMATES OCTOBER	(In Thousands) Latest Month	 Month Ago	 Year Ago	Pct. Chg. Month Ago	 Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,017	113,699	111,866	0.3	1.9
Employment	105,586	105,239	101,970	0.3	3.5
Unemployment	8,431	8,460	9,896	-0.3	-14.8
Unemployment Rate	7.4	7.4	8.8	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* OCTOBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	509.5	518.9	490.2
All Manufacturing (Excluding Canning)	495.4	499.2	477.9
Durable Goods	314.1	318.3	297.3
Lumber and Wood Prod., (Except Furniture)	22.3	22.8	20.7
Sawmills and Planning Mills	2.8	2.8	2.7
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.2	10.3	9.5
Furniture and Fixtures	10.3	10.2	9.2
Household Furniture	4.7	4.7	4.0
Stone, Clay and Glass Products	8.4	8.4	8.3
Concrete, Gypsum and Plaster Products	3.8	3.9	4.1
Primary Metal Industries	20.4	20.7	18.5
Iron and Steel Foundries	11.5	11.5	10.0
Fabricated Metal Products	50.2	50.8	48.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.7	4.8	3.5
Fabricated Structural Metal Products	12.7	12.8	11.7
Metal Stampings	12.0	12.3	12.9
Machinery (Except Electrical)	98.5	98.2	86.8
Engines and Turbines	19.4	18.9	11.3
Farm Machinery and Equipment	12.7	12.8	13.0
Const., Min. & Material Handling Mach. & Equip.	13.0	13.2	13.1
Metalworking Machinery and Equipment	10.5	10.4	9.8
Special Industry Machinery (Except Metalworking)	10.2	10.2	9.6
General Industrial Machinery and Equipment	14.4	14.5	13.3
Service Industry Machines	7.7	7.6	7.3
Electrical Machinery, Equipment and Supplies	49.9	50.1	49.6
Electrical Industrial Apparatus	17.0	16.9	17.2
Household Appliances	6.5	6.7	6.6
Transportation Equipment	32.8	36.1	35.7
Motor Vehicles and Equipment	26.0	29.3	29.0
Instruments and Related Products	10.6	10.4	10.0
Miscellaneous Manufacturing	10.7	10.5	10.0
Nondurable Goods	195.5	200.6	192.8
Food and Kindred Products	65.8	70.6	65.3
Meat Products	13.9	12.8	13.8
Dairy Products	16.7	16.9	17.6
Canning and Preserving	14.1	19.8	12.2
Bakery Products	4.4	4.4	4.8
Beverage Industries	9.2	9.3	9.7
Textile Mill Products	4.9	5.1	4.6
Knitting Mills	4.2	4.4	3.9
Apparel and Other Finished Products	6.8	6.9	6.8
Paper and Allied Products	46.8	46.9	47.1
Pulp and Paper Mills	28.8	28.8	29.2
Converted Paper and Paperboard Products	9.5	9.5	9.4
Paperboard Containers and Boxes	7.3	7.3	7.4
Printing, Publishing and Allied Industries	34.1	34.0	32.9
Newspapers	11.0	10.9	10.6
Commercial Printing	14.2	14.2	13.7
Chemicals and Allied Products	9.4	9.5	9.2
Rubber and Misc. Plastics Products	18.8	19.0	17.8
Miscellaneous Plastics Products	14.3	14.4	13.5
Leather and Leather Products	8.4	8.3	8.7
Leather Tanning and Finishing	2.0	2.1	2.6
Footwear (Except Rubber)	4.5	4.4	4.4
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* OCTOBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$405	$409	$404	40.7	41.2	41.1
All Manufacturing (Excl. Canning)	410	417	412	40.8	41.2	41.4
Durable Goods	418	426	412	40.9	41.3	41.2
Lumber/Wood Prod. (Exc. Furn.)	303	305	304	40.7	40.9	41.3
Furniture and Fixtures	307	313	310	41.2	41.4	41.9
Stone, Clay and Glass Products	396	402	377	41.6	42.0	41.9
Primary Metal Industries	402	409	389	41.7	42.2	40.9
Iron and Steel Foundries	413	414	404	42.0	42.3	41.2
Fabricated Metal Products	403	404	399	40.1	39.9	40.5
Fab. Structural Metal Prod.	419	438	422	42.2	43.2	42.0
Metal Stampings	386	367	364	38.9	36.8	38.2
Machinery (Except Electrical)	474	477	447	41.5	41.8	41.0
Engines and Turbines	501	501	438	41.5	41.6	40.0
Farm Machinery and Equip.	517	508	514	42.1	41.2	42.6
Const. and Related Mach.	489	507	465	41.3	42.8	40.2
Metalworking Mach. and Equip.	492	507	431	41.9	43.7	39.9
Spec. Ind. Mach. (Exc. Metal) .	482	479	471	43.1	43.0	43.5
Gen. Industrial Mach. and Equip.	481	486	454	41.2	41.2	40.3
Electrical Mach., Equip. and Supp.	395	395	388	40.8	41.1	41.2
Electrical Industrial Apparatus	436	438	419	41.7	42.4	41.3
Transportation Equipment	518	557	559	40.1	41.8	43.0
Instruments and Related Prod.	351	353	343	40.3	40.5	39.1
Nondurable Goods	383	381	390	4.03	41.0	40.8
Food and Kindred Products	338	330	353	38.4	39.9	38.4
Meat Products	316	314	408	37.7	38.3	40.4
Dairy Products	379	390	366	39.7	40.8	39.9
Textile Mill Products	292	288	276	42.5	41.1	41.0
Apparel and Other Fin. Prod.	235	238	227	37.8	38.4	38.6
Paper and Allied Products	509	513	492	45.0	45.6	45.3
Pulp and Paper Mills	546	552	531	45.8	46.5	46.5
Printing, Pub. and Allied Prod.	410	428	454	38.1	38.9	40.6
Chemicals and Allied Products	447	439	443	41.8	41.5	42.5
Rubber and Misc. Plastics Prod.	327	326	328	40.0	39.9	39.9
Leather and Leather Products.	250	250	259	37.8	37.9	39.4

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* OCTOBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	9.94	9.92	9.82	9.60	9.55	9.45
All Manufacturing (Excl. Canning)	10.06	10.13	9.94	9.71	9.74	9.56
Durable Goods	10.21	10.31	10.00	9.91	9.96	9.68
Lumber/Wood Prod. (Exc. Furn.)	7.45	7.45	7.35	7.39	7.37	7.15
Furniture and Fixtures	7.44	7.56	7.41	7.39	7.46	7.36
Stone, Clay and Glass Products	9.52	9.58	8.99	9.21	9.24	8.71
Primary Metal Industries	9.65	9.68	9.51	9.27	9.24	9.22
Iron and Steel Foundries	9.84	9.78	9.81	9.48	9.37	9.50
Fabricated Metal Products	10.06	10.12	9.86	9.63	9.62	9.48
Fab. Structural Metal Prod.	9.94	10.14	10.05	9.51	9.56	9.71
Metal Stampings	9.92	9.96	9.53	9.74	9.78	9.36
Machinery (Except Electrical)	11.41	11.40	10.91	11.05	11.06	10.66
Engines and Turbines	12.07	12.04	10.94	11.73	11.71	10.71
Farm Machinery and Equip.	12.29	12.32	12.06	12.01	12.12	11.79
Const. and Related Mach.	11.83	11.88	11.57	11.59	11.64	11.48
Metalworking Mach. and Equip.	11.75	11.61	10.80	11.14	11.01	10.48
Spec. Ind. Mach. (Exc. Metal).	11.18	11.13	10.82	10.61	10.60	10.43
Gen. Industrial Mach. and Equip.	11.68	11.80	11.27	11.25	11.35	11.00
Electrical Mach., Equip. and Supp.	9.67	9.60	9.42	9.48	9.38	9.16
Electrical Industrial Apparatus	10.45	10.34	10.15	10.37	10.23	9.96
Transportation Equipment	12.91	13.33	12.99	12.51	12.76	12.40
Instruments and Related Prod.	8.70	8.72	8.78	8.51	8.47	8.60
Nondurable Goods	9.50	9.29	9.56	9.08	8.88	9.08
Food and Kindred Products	8.81	8.26	9.18	8.44	7.92	8.70
Meat Products	8.37	8.20	10.09	8.14	7.87	9.54
Dairy Products	9.54	9.57	9.18	9.11	9.11	8.82
Textile Mill Products	6.88	7.01	6.74	6.59	6.70	6.52
Apparel and Other Fin. Prod.	6.21	6.20	5.89	6.14	6.04	5.70
Paper and Allied Products	11.30	11.26	10.86	10.81	10.75	10.33
Pulp and Paper Mills	11.93	11.88	11.41	11.43	11.38	10.85
Printing, Pub. and Allied Prod.	10.75	10.99	11.17	-	-	-
Chemicals and Allied Products	10.70	10.59	10.42	10.44	10.32	10.18
Rubber and Misc. Plastics Prod.	8.18	8.16	8.23	7.86	7.87	7.95
Leather and Leather Products.	6.61	6.60	6.57	6.52	6.53	6.45

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* OCTOBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$374	$375	$362	40.5	40.7	40.7	9.23	9.22	8.90	-	-
Wisconsin	405	409	404	40.7	41.2	41.1	9.94	9.92	9.82	9.60	9.55
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	415	415	401	42.3	42.7	42.3	9.82	9.73	9.49	9.35	9.27
Beloit (City)	353	350	447	38.0	37.9	47.4	9.29	9.23	9.43	-	-
Eau Claire (Eau Claire-Chippewa)	423	409	398	41.8	41.2	41.9	10.12	9.92	9.51	9.85	9.77
Fond du Lac (County)	387	391	353	42.2	43.0	40.2	9.18	9.09	8.79	8.85	8.68
Green Bay (Brown County)	431	433	426	41.1	41.3	41.4	10.49	10.48	10.28	9.95	9.91
Janesville (City)	438	551	597	37.6	42.0	45.2	11.65	13.11	13.23	11.55	12.73
Janesville-Beloit (Rock County)	396	471	509	38.2	40.4	44.7	10.37	11.67	11.39	10.16	11.31
Kenosha (County)	463	478	489	39.2	40.4	41.3	11.81	11.84	11.84	11.62	11.42
La Crosse (County)	343	342	349	39.0	38.8	38.7	8.80	8.82	9.03	8.44	8.44
Madison (Dane County)	392	394	381	41.5	43.5	40.2	9.45	9.06	9.47	8.99	8.51
Manitowoc (County)	340	316	312	39.1	36.0	37.8	8.69	8.78	8.26	8.47	8.58
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	460	466	446	40.8	41.3	41.2	11.28	11.29	10.83	10.85	10.79
Racine (County)	428	427	425	40.0	39.5	41.2	10.70	10.81	10.31	10.27	10.36
Sheboygan (County)	389	387	372	40.3	40.1	40.4	9.65	9.65	9.21	9.26	9.23
Wausau (Marathon County)	400	398	391	42.0	42.3	42.1	9.52	9.40	9.28	9.11	9.05

EMPLOYMENT, MFG. *(Unadjusted)* OCTOBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,838.0	19,904.0	19,052.0	-0.3	4.1
Wisconsin	509.5	518.9	490.2	-1.8	3.9
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.9	48.1	46.7	-0.4	2.6
Beloit (City)	5.5	5.4	5.9	1.9	-6.8
Eau Claire (Eau Claire-Chippewa)	9.0	9.2	9.2	-2.2	-2.2
Fond du Lac (County)	10.2	10.3	9.6	-1.0	6.2
Green Bay (Brown County)	22.5	22.9	21.4	-1.7	5.1
Janesville (City)	8.2	11.3	10.9	-27.4	-24.8
Janesville-Beloit (Rock County)	15.8	19.1	19.0	-17.3	-16.8
Kenosha (County)	17.5	17.9	17.5	-2.2	0.0
La Crosse (County)	10.7	10.7	10.1	0.0	5.9
Madison (Dane County)	19.5	19.1	19.5	2.1	0.0
Manitowoc (County)	11.1	11.3	12.2	-1.8	-9.0
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.6	169.8	158.9	-0.1	6.7
Racine (County)	24.0	25.1	24.5	-0.4	2.0
Sheboygan (County)	19.1	18.9	15.2	1.1	25.7
Wausau (Marathon County)	11.7	11.8	11.3	-0.8	3.5

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert
Department of Revenue

The nation's economy has been in a strong recovery for nearly two years and the recovery is expected to continue. The pace of the economic growth has slowed substantially but is expected to pick up again in late 1985. Such a pattern of recovery and expansion is unusual because it would be the second longest since World War II. The median length of postwar recoveries has been three and one-quarter years. Nevertheless, the recovery is projected to continue because the constraints and imbalances that normally trigger a recession are not present at this time.

One such imbalance is excessive inventory acculuation. While inventories have increased recently, they are still relatively modest. Another such imbalance is a high rate of inflation. Inflation at this point is moderate and remains an area of strength in the current recovery. Because the inflation rate is low, the Federal Reserve may be able to ease its grip on the money supply and lower interest rates somewhat. Industrial capacity and labor supply are also not likely to restrain growth in the near term.

The most serious problem in the current recovery is the federal budget deficit which has led to the major restraints the economy faces; namely, high interest rates and a strong dollar relative to other currencies. In 1984 these restraints have led to a decline in residential construction and a massive deterioration in the balance of trade. These sectors will continue to be weak in 1985 if interest rates stay high. However, they also represent a source of latent strength over the long run. If the economy were to soften considerably in 1985, interest rates would fall and the dollar would weaken. This, in turn, would stimulate housing construction and improve the balance of trade, thereby offsetting part of the decline in the overall economy.

Because national economic policy is expected to continue on its present course, which is characterized by large federal budget deficits and modest growth in the money supply, real interest rates are expected to remain high and the dollar will remain strong. This means that the durable goods industries will continue to suffer from intense foreign competition. This competition takes two forms. First, U.S. exporters find that the strong dollar increases the price of their products in foreign markets. In response, many U.S. firms are cutting profit margins and restricting hiring in an effort to maintain their market share overseas. Second, the strong dollar makes imported goods less expensive in the U.S. As a result, imports are increasing rapidly. On average, imports are projected to increase by 31.7% in 1984, with imports of capital goods increasing 49 percent. In 1984, imports are growing particularly fast in electrical machinery (54%), industrial machinery (50%), and construction machinery (61%). While imports are gaining market share in nearly every industry, the increase is most dramatic in capital goods. As late as 1977 only 10% of U.S. capital goods were purchased from foreign suppliers, by 1980 this percentage had increased to 15%, and 1984 it is expected to reach 23 percent.

A forecast of an economic recovery that is unusually long by historical standards is inherently risky. Nevertheless, as noted above, the factors that would normally cause a recession are absent at the moment. The major trouble spots on the horizon whose consequences are difficult to predict are the intermingled problems caused by the large federal budget deficit, high interest rates, the trade deficit, and the extremely high level of international indebtedness. These factors provide threats to stable growth in the future, but no one knows when or how these problems may surface. Among the possibilities are: a collapse of some major banks caused by defaults on international loans; a rapid decline in the dollar, accompanied by an increase in U.S. interest rates; and a recession the federal government would be helpless to fight because the large federal budget deficit precludes the use of further fiscal stimulus. While these risks exist, none are anticpated at this time. The forecast assumes further action to stem the federal budget deficit, a modest decline in the value of the dollar, relatively stable interest rates, and no financial crisis.

National Forecast

Although consumer confidence remains high, consumer spending has slowed in recent months. Nevertheless, solid gains in personal income should keep consumer spending growing. Real growth in consumer spending is projected to slow from 5.3% in 1984 to 3.1% in 1985 and 2.6% in 1986 and then rebound to 3.6% in 1987. Sales of automobiles are expected to remain near the current level of 10.6 million units annually.

Housing starts and permits have been falling in recent months in response to the increase in interest rates which occurred earlier this year. However, mortgage interest rates have been falling in the last few months and this should stabilize housing construction activity in its current range of 1.6 to 1.7 million units annually for 1985. Housing starts are then forecast to increase as economic growth resumes a more vigorous pace, averaging 1.83 million units in 1986 and 1.89 million in 1987.

After record-setting increases earlier in the recovery, business fixed investment slowed dramatically in the third quarter of this year. The slowdown in investment growth was largely attributable to a dramatic slackening in the demand for trucks, autos and office equipment. These sectors have played a pivotal role in the recovery of business fixed investment. In the second quarter of 1984, autos and trucks accounted for 21% of equipment spending and office equipment for another 26%. Real business fixed investment is forecast to grow by 5.9% in 1985, 3.1% in 1986, and 4.6% in 1987.

The U.S. trade deficit is projected to grow from an estimated $103.9 billion in 1984 to $137.4 billion in 1987. Although exports of goods are expected to increase somewhat faster than imports in 1986 and 1987, the rapidly increasing debt service payments to foreigners will prevent any improvement in the balance of trade over the forecast period.

The national forecast assumes only a modest second "downpayment" on the federal budget deficit totalling $38 billion over the three years of the forecast. The deficit is forecast to grow to $197 billion in fiscal 1985, $219 billion in fiscal 1986, and $222 billion in fiscal 1987. The forecast assumes that the Federal Reserve will be able to keep the growth of the monetary aggregates within their target ranges. The softness in the economy in 1985 should allow some moderation in interest rates, but the resumption of stronger growth in 1986 and 1987 is likely to push interest rates back near current levels.

Wisconsin Economic Outlook

Recent employment figures show that the Wisconsin economy has entered a slower growth phase, reflecting the national slowdown. Total nonfarm employment grew at the modest annual rate of 2.2% in the July-September period, considerably less than the nearly 5.0% growth rates posted for the last quarter of 1983 and the first quarter this year.

The average level of total nonfarm employment is now expected to be 1,908,450 for this year, a gain of nearly 60,000 jobs (3.2%) over 1983. This result differs from the forecast of one year ago by only 3,100 jobs, when the forecast called for an employment level of 1,911,600 for 1984. Nearly all of the forecast difference between the year-ago forecast and the current forecast is attributable to the durable manufacturing sector. Employment in durable manufacturing is now expected to average 315,500 this year rather than 318,500 forecast one year ago.

The less buoyant performance of Wisconsin durable goods producers, compared to what was expected a year ago, emphasizes the large and growing trade deficits and continuing high real interest rates during this past year.

Overall, the effects of the twin deficits, in trade and the federal budget, continue to temper the outlook for the Wisconsin economy for the next three years. Since growth in the national economy is expected to be moderate, but with no outright recession, growth in the Wisconsin economy will also be moderate, and show no signs of retrenchment for the period 1985-1987. Most of the gain in employment will come from the financial, service, and trade sectors, as real income continues to grow and the nation continues its trend toward a services economy. The gradual drift out of manufacturing and goods producing in general may also reflect a response to world economic conditions. Merchandise trade is currently adversely affected by the high dollar exchange rate, and investment in capital goods, while currently strong for this stage of the recovery, is not attributable to demand for domestic capital goods. Thus, Wisconsin manufacturing can be expected to produce only modest gains in employment, stemming basically from growth in overall product demands. As long as the dollar remains overvalued, employment gains in Wisconsin goods producing industries will be quite modest.

Total nonfarm employment is expected to reach the level of 1,949,400 in 1985, a gain of nearly 41,000 jobs over this year. Of the total gain in jobs, only 6,700 are expected to occur in manufacturing, construction, and mining industries, as production levels begin to flatten out in response to slower economic growth and continued import competition. The remaining 34,000 additional jobs are expected to occur mainly in the financial, services, and trade industries.

The prospects for a resurgence in employment growth after next year are dampened by the outlook for continued import competition and as-yet unclear resolution of the federal deficit problem, which keeps interest rate forecasts unusually high. Total nonfarm employment is expected to grow 1.2% annually in 1986 and 1987. In these years, manufacturing employment will start to rebound from the slow growth period in late 1985 and early 1986, but the carryover of weaker income gains will also begin to reduce

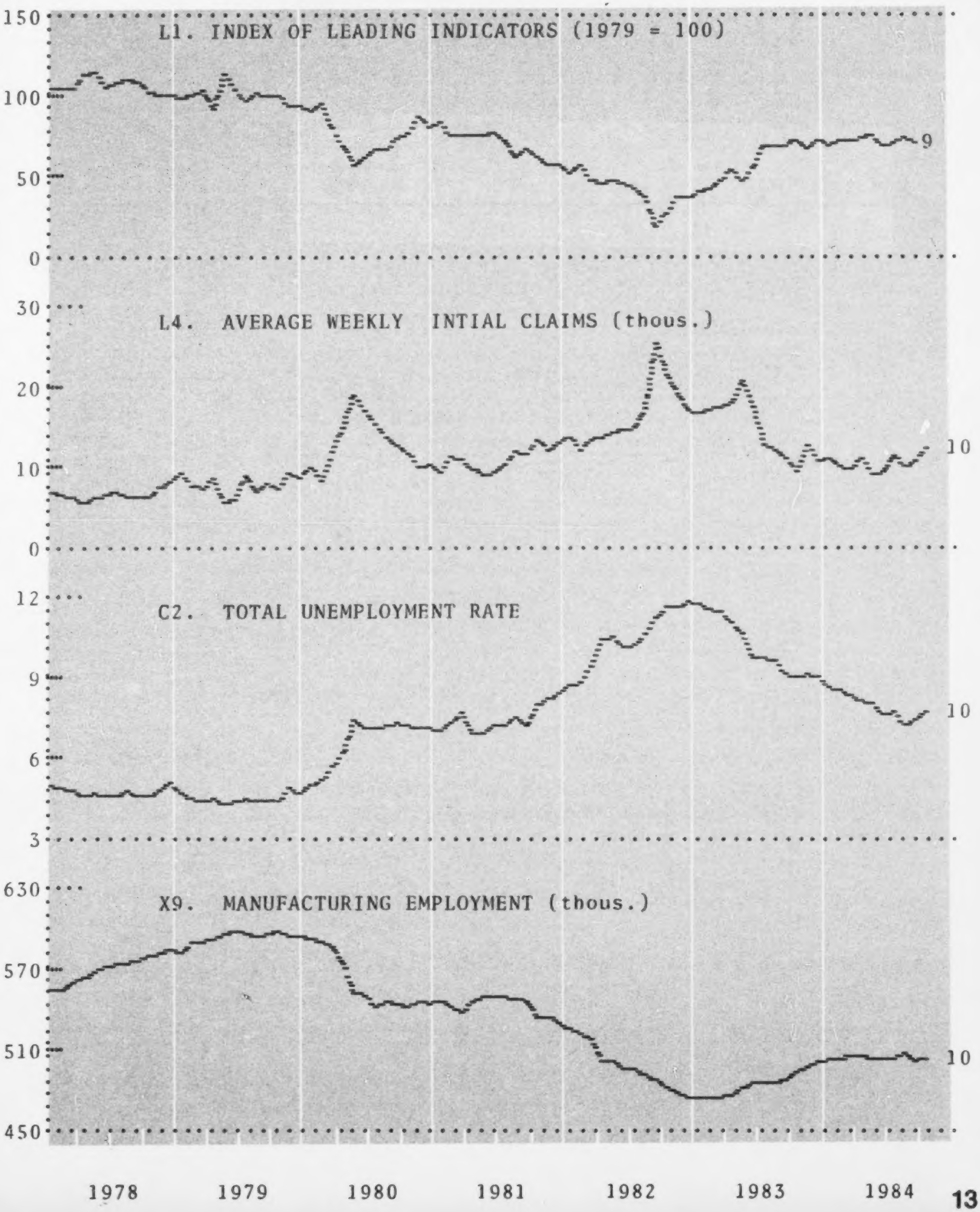
(Continued on back cover)

WISCONSIN MANUFACTURING EMPLOYMENT FORECAST: INDUSTRY DETAIL
(THOUSANDS OF WORKERS)

	QUARTERLY DATA						ANNUAL DATA				
	84:3	84:4	85:1	85:2	85:3	85:4	1983	1984	1985	1986	1987
ALL MANUFACTURING	505.7	509.8	510.5	514.6	513.1	511.9	483.2	506.4	512.5	513.0	517.5
% CHANGE	0.7	3.3	0.6	3.2	-1.2	-0.9	-3.0	4.8	1.2	0.1	0.9
DURABLES	314.8	318.0	317.9	321.6	320.4	319.5	295.4	315.5	319.8	320.6	325.7
% CHANGE	0.6	4.2	-0.1	4.7	-1.5	-1.1	-4.9	6.8	1.4	0.2	1.6
LUMBER PRODUCTS	22.2	22.5	22.5	22.4	22.2	22.2	20.0	22.2	22.3	22.3	22.4
% CHANGE	-5.5	4.4	0.2	-2.4	-2.4	-1.1	9.4	11.2	0.3	-0.1	0.7
STONE,CLAY GLASS	7.9	8.1	8.2	8.4	8.5	8.5	7.9	8.3	6.4	8.6	8.8
% CHANGE	-15.8	11.2	5.8	9.4	4.0	1.7	-0.5	5.0	1.3	2.8	2.2
PRIMARY METALS	20.5	21.0	20.9	20.7	20.4	20.2	17.6	20.0	20.6	20.0	20.1
% CHANGE	23.5	8.4	-0.8	-3.9	-5.3	-4.6	-12.4	13.2	3.0	-2.9	0.7
FABRICATED METALS	50.7	51.1	51.5	51.9	51.7	51.8	48.6	50.7	51.7	52.5	54.0
% CHANGE	1.3	3.5	3.6	3.1	-2.0	0.9	-4.1	4.3	2.0	1.4	3.0
NON-ELEC MACH.	98.0	99.3	98.1	101.4	101.6	101.5	91.4	98.0	100.7	102.4	105.0
% CHANGE	3.4	5.4	-4.8	14.2	0.6	-0.2	-12.1	7.3	2.7	1.8	2.5
ELECTRICAL MACH.	49.9	50.0	49.5	48.9	48.1	47.4	48.2	50.1	48.5	46.7	46.7
% CHANGE	-4.6	1.0	-3.7	-5.0	-6.5	-5.5	-3.7	4.0	-3.3	-3.7	0.1
TRANS. EQUIPMENT	34.6	34.9	35.8	36.5	36.6	36.7	32.9	35.7	36.4	37.0	37.1
% CHANGE	-13.4	3.1	10.2	8.0	1.9	0.8	10.1	8.5	2.0	1.7	0.2
OTHER DURABLES	30.9	31.2	31.3	31.4	31.2	31.2	28.8	30.4	31.3	31.1	31.5
% CHANGE	14.0	3.4	2.4	0.4	-1.6	-1.1	-3.5	5.6	2.7	-0.5	1.2
NONDURABLES	190.9	191.7	192.6	193.0	192.7	192.5	187.7	191.0	192.7	192.4	191.8
% CHANGE	0.8	1.8	1.8	0.9	-0.6	-0.5	0.2	1.7	0.9	-0.2	-0.3
FOOD PRODUCTS	61.3	61.5	61.6	61.6	61.4	61.2	62.3	61.7	61.4	61.0	60.4
% CHANGE	-0.5	1.6	0.7	-0.4	-1.2	-0.8	-1.1	-1.0	-0.4	-0.7	-1.1
PAPER PRODUCTS	47.0	47.1	47.1	47.0	46.9	46.9	46.5	47.0	47.0	47.0	47.2
% CHANGE	-0.5	0.3	0.0	-0.3	-0.7	-0.5	-0.3	1.0	-0.1	0.0	0.5
PRINTING, PUBLISH	34.0	34.4	35.0	35.6	36.0	36.3	32.7	33.9	35.7	36.9	37.5
% CHANGE	0.8	5.5	6.9	6.4	4.6	3.9	0.7	3.6	5.3	3.4	1.5
CHEMICAL PRODUCTS	9.4	9.6	9.7	9.8	9.8	9.8	9.2	9.3	9.8	9.7	9.3
% CHANGE	8.9	8.1	5.9	2.8	0.1	-0.8	-1.1	1.3	4.6	-1.2	-3.2
RUBBER, PLASTICS	18.8	19.0	19.1	19.1	18.9	18.8	17.2	18.7	19.0	18.6	18.3
% CHANGE	5.9	2.4	2.3	0.1	-2.6	-2.8	4.1	8.6	1.7	-2.2	-1.2
OTHER NONDURABLES	20.4	20.2	20.1	20.0	19.7	19.5	19.7	20.4	19.8	19.2	19.0
% CHANGE	-0.8	-3.6	-1.5	-2.2	-5.5	-5.2	1.8	3.3	-2.7	-3.1	-0.9

Section

D CYCLICAL INDICATORS



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(Continued from page 11)

the employment growth rates in nonmanufacturing industries. Of the total 47,600 employment gains expected in 1986 and 1987, about 10,100 are expected to occur in manufacturing, mining and construction. Thus, in contrast to 1985, when only 16% of total job gains are expected to occur in Wisconsin goods producing industries, 21% of total new jobs should stem from growth in the goods producing industries in 1986-87.

Wisconsin personal income is expected to show a gain of 9.1% this year, from $53.7 billion to $58.6 billion. Disposable personal income will show a slightly better gain of 9.8% as the result of the removal of the state income tax surcharge and the third year of the federal tax cuts. The general slowdown in the economy that is expected through much of next year will trim personal income growth to 5.8 percent. Total wages and salaries are expected to be slightly weaker, growing by 5.2% as a result of weaker employment growth and more moderate wage inflation. Total property income, consisting of dividends, interest and rent, should continue to grow in the 8.0-9.0% range in 1985, although interest income, the largest component of the three, will grow more slowly as interest rates nudge downward in response to dampening credit demands in a slower growing economy. Total personal income growth is expected to continue in 1986 and 1987, growing at 6.4% and 8.2% respectively in those years.

WISCONSIN EMPLOYMENT SUMMARY
Employment (Thousands of Workers, Annual Average)

	1983	1984	1985	1986	1987
MANUFACTURING-DURABLE	295.4	315.5	319.8	320.6	325.7
% CHANGE	-4.9	6.8	1.4	0.2	1.6
MANUFACTURING-NONDURABLE	187.7	191.0	192.7	192.4	191.8
% CHANGE	0.2	1.7	0.9	-0.2	-0.3
MINING	2.2	2.5	2.4	2.3	2.2
% CHANGE	16.5	10.7	-1.1	-7.7	-2.0
CONSTRUCTION	55.0	57.9	58.7	61.6	64.0
% CHANGE	-3.5	5.4	1.4	4.8	3.9
TRANS.,COMM.,UTILITIES	85.2	85.7	85.8	88.7	91.4
% CHANGE	-4.8	0.7	0.0	3.4	3.1
FINANCE,INSURANCE,REAL ESTATE	97.2	99.0	102.2	105.1	107.5
% CHANGE	1.4	1.9	3.2	2.9	2.3
TRADE	426.4	442.7	459.0	465.9	470.6
% CHANGE	-0.6	3.8	3.7	1.5	1.0
SERVICES	385.8	399.7	413.9	420.8	427.6
% CHANGE	1.1	3.6	3.6	1.7	1.6
ALL GOVERNMENT	313.9	314.4	314.8	315.3	316.1
% CHANGE	0.0	0.2	0.1	0.2	0.2
TOTAL EMPLOYMENT (Nonfarm)	1848.9	1908.5	1949.4	1972.6	1997.0
% CHANGE	-1.0	3.2	2.1	1.2	1.2

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WISCONSIN ECONOMIC INDICATORS

DECEMBER 1984

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Winter scene. Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR NOVEMBER

LEADING INDICATORS OF ECONOMIC ACTIVITY THROUGHOUT WISCONSIN WERE MIXED DURING NOVEMBER. HOWEVER, SOME OF THE SLACK IN THE INDICATORS IS DUE TO SEASONAL FACTORS.

LEADING INDICATORS

The average workweek for Wisconsin's manufacturing production workers dropped in November to 40.2 hours per week. A decrease in the eleventh month of the average workweek series is unusual since manufacturers normally increase production for holiday buying.

The hours data averaged over 41 hours during the first ten months of the year, but the number of workers employed in manufacturing was down in the first half of the year.

A burst of production activity boosted third-quarter manufacturing indicators: manufacturing employment rose to well over 500-thousand, the average workweek remained around 41 hours, and overtime hours were at the highest levels of the year.

The latest two-month's slip in average workweek, and manufacturing employment, may be the result of inventory adjustment from a very productive second quarter.

A moderate increase of initial claims for unemployment compensation brought the average to over 13-thousand per week in November. However, an increase of claims is seasonally normal in November; and this year's latest figure is below the year-ago level.

Initial claims have behaved very erratically this year and have not indicated a strong general economic trend either up or down. 1984 is well along in setting a new record for new business incorporations.

While November's incorporation number is down slightly, the decrease is a normal seasonal trend. For the eleven months of available incorporations data, 1984 is averaging 564 per month. Prior to 1984, the highest per month incorporation average was 1981 with a 550 average. The lowest average since 1980 was a 518 monthly rate, which occurred in 1982. Of significance is that most new jobs are created in small businesses.

The number of building plans examined is on its way to a post-recession record, though not an all-time record. While the number of November's examinations did decline, the trend is up when seasonal factors are considered. Building plans, including alterations to existing buildings, for industrial and commercial use must be examined by state inspectors for safety requirements. With one remaining month of data yet unavailable, the average number of examined is 502 per month. That's the highest monthly average since 1978, which had a 551 per-month rate. 1984's average beat the previous year by 100 more per month; and is well above the recessionary low of 320 per month. An increase of plans examined usually precedes growth of construction employment. And, construction employment in 1984, for the first eleven months, has averaged higher than the two previous years.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	74.2	Nov	68.9	67.5	7.7	9.9	58.0
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	40.2	Nov	40.6	41.5	-1.0	-3.1	40.7
Seasonally Adjusted		39.8		40.7	41.1	-2.2	-3.2	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	2.8	Nov	3.2	3.4	-12.5	-17.6	2.8
Seasonally Adjusted		2.7		3.1	3.2	-12.9	-15.6	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	13,601	Nov	11,860	15,918	14.7	-14.6	14,694
Seasonally Adjusted		11,094		12,393	12,983	-10.5	-14.5	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	7,486	Nov	9,110	6,828	-17.8	9.6	7,099
Seasonally Adjusted		9,334		9,202	8,512	1.4	9.7	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	541	Nov	554	532	-2.3	1.7	544
Seasonally Adjusted		575		566	565	1.6	1.8	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,333	Nov	53	1,147	2415.1	16.2	892
Seasonally Adjusted		588		370	700	58.9	-16.0	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	566	Nov	719	388	-21.3	45.9	275
Seasonally Adjusted		607		528	416	15.0	45.9	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	55	Nov	52	47	5.8	17.0	38
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.7	Nov	7.0	8.2	-	-	10.4
Seasonally Adjusted		7.3		7.7	9.1	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	190.1	Oct	126.5	193.3	50.3	-1.7	247.9
Seasonally Adjusted		230.4		237.3	234.2	-2.9	-1.6	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	14,034	Nov	19,105	15,258	-26.5	-8.0	14,429
Seasonally Adjusted		13,559		18,952	14,739	-28.5	-8.0	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1963.2	Oct	1837.9	1802.2	6.8	8.9	1,765
Seasonally Adjusted		1949.6		1864.0	1788.9	4.6	9.0	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	93.4	Nov	66.3	155.4	40.9	-39.9	143.3
Seasonally Adjusted		69.7		65.0	116.0	7.2	-39.9	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME							
Unadjusted	MIL. DOL.	4,804 Aug	4,788	4,384	0.3	9.6	4,449
Seasonally Adjusted		4,857	4,783	4,433	1.5	9.6	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	403.21 Nov	403.56	415.83	-0.1	-3.0	398.01
Seasonally Adjusted		395.69	404.77	408.00	-2.2	-3.0	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	428.0 Sep	444.0	404.4	-3.6	5.8	415.3
Seasonally Adjusted		441.2	420.1	416.7	5.0	5.9	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	62.0 Nov	64.5	63.6	-3.9	-2.5	55.0
Seasonally Adjusted		60.8	57.2	58.3	6.3	4.3	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5,466 Nov	7,226	5,291	-24.4	3.3	6,006
Seasonally Adjusted		6,094	7,496	5,898	-18.7	3.3	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,222 Nov	3,726	3,057	-13.5	5.4	3,391
Seasonally Adjusted		3,184	3,833	3,020	-16.9	5.4	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	2,244 Nov	3,500	2,234	-35.9	0.4	2,615
Seasonally Adjusted		2,753	3,646	2,741	-24.5	0.4	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	3,133 Nov	4,981	3,059	-37.1	2.4	3,340
Seasonally Adjusted		4,079	5,093	3,984	-19.9	2.3	
X5 CONSUMER PRICE INDEX (MILW.)			(Sep)				
Unadjusted	INDEX	324.3 Nov	324.0	312.5	0.1	3.8	309.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	143 Nov	143	142	0.0	0.7	142
Seasonally Adjusted		144	143	143	0.7	0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	2,212 Nov	1,744	2,159	26.8	2.5	872
Seasonally Adjusted		1,656	1,386	850	19.5	94.8	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	640 Nov	750	462	-14.7	38.5	2,542
Seasonally Adjusted		952	511	688	86.3	38.4	
X9 MANUFACTURING EMPL.							
Unadjusted	THOUS.	505.2 Nov	509.9	499.4	-0.9	1.2	486.0
Seasonally Adjusted		504.7	504.9	498.9	-0.0	1.2	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2396.0	2416.4	2422.4	-0.8	-1.1
Employment (Inc. Labor Disputes)	2235.4	2246.8	2223.3	-0.5	0.5
Unemployment	160.6	169.6	199.1	-5.3	-19.3
Unemployment Rate	6.7	7.0	8.2	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2431.7	2440.7	2423.6	-0.4	0.3
Employment (Inc. Labor Disputes)	2253.1	2253.7	2203.4	-0.0	2.3
Unemployment	178.6	187.0	220.2	-4.5	-18.9
Unemployment Rate	7.3	7.7	9.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1954.3	1954.9	1895.0	-0.0	3.1
Unadjusted					
Manufacturing	504.6	509.2	499.3	-0.9	1.1
Mining	2.6	2.8	2.7	-7.1	-3.7
Contract Construction	62.0	64.5	63.6	-3.9	-2.5
Transportation and Public Utilities	88.7	88.6	88.1	0.1	0.7
Elec., Gas and Sanitary Services	17.1	17.2	16.7	-0.6	2.4
Wholesale Trade	102.5	102.2	97.3	0.3	5.3
Retail Trade	359.2	355.7	340.0	1.0	5.6
General Merchandise	49.7	47.2	45.9	5.3	8.3
Finance, Insurance and Real Estate	100.4	100.3	97.5	0.1	3.0
Banking	27.8	27.7	27.0	0.4	3.0
Insurance	32.0	31.8	31.7	0.6	0.9
Service and Miscellaneous	403.5	405.5	386.4	-0.5	4.4
Hospitals	69.9	70.4	73.8	-0.7	-5.3
Private Education	24.4	24.4	23.6	0.0	3.4
Government	330.8	326.1	320.2	1.4	3.3
State Government	83.9	84.0	82.2	-0.1	2.1
Local Government	218.6	213.8	210.2	2.2	4.0

UNITED STATES LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,026	114,017	112,035	0.0	1.8
Employment	105,872	105,586	102,606	0.3	3.2
Unemployment	8,154	8,431	9,429	-3.3	-13.5
Unemployment Rate	7.2	7.4	8.4	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* NOVEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	504.6	509.2	499.3
All Manufacturing (Excluding Canning)	496.0	495.4	490.5
Durable Goods	315.0	314.1	310.1
Lumber and Wood Prod., (Except Furniture)	21.5	22.3	20.9
Sawmills and Planning Mills	2.8	2.8	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.5	10.2	9.5
Furniture and Fixtures	10.6	10.4	9.3
Household Furniture	4.9	4.7	4.1
Stone, Clay and Glass Products	8.3	8.4	8.5
Concrete, Gypsum and Plaster Products	3.7	3.8	4.0
Primary Metal Industries	19.9	20.4	18.3
Iron and Steel Foundries	11.3	11.5	10.0
Fabricated Metal Products	49.9	50.3	50.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.6	4.7	5.1
Fabricated Structural Metal Products	12.6	12.7	12.1
Metal Stampings	12.0	12.1	12.7
Machinery (Except Electrical)	98.1	98.4	96.2
Engines and Turbines	19.8	19.3	20.2
Farm Machinery and Equipment	12.1	12.7	13.0
Const., Min. & Material Handling Mach. & Equip.	13.0	13.0	13.1
Metalworking Machinery and Equipment	10.6	10.5	9.9
Special Industry Machinery (Except Metalworking)	10.1	10.2	9.6
General Industrial Machinery and Equipment	14.2	14.4	13.4
Service Industry Machines	7.7	7.7	7.4
Electrical Machinery, Equipment and Supplies	49.6	49.9	49.8
Electrical Industrial Apparatus	17.0	17.0	17.2
Household Appliances	6.6	6.5	6.6
Transportation Equipment	35.5	32.8	36.4
Motor Vehicles and Equipment	28.8	26.1	29.5
Instruments and Related Products	10.7	10.6	10.2
Miscellaneous Manufacturing	10.8	10.7	10.0
Nondurable Goods	189.5	195.1	189.2
Food and Kindred Products	60.0	65.5	61.6
Meat Products	14.2	14.1	13.8
Dairy Products	16.6	16.7	17.4
Canning and Preserving	8.5	13.8	8.7
Bakery Products	4.3	4.3	4.8
Beverage Industries	9.0	9.2	9.8
Textile Mill Products	4.8	4.9	4.5
Knitting Mills	4.1	4.2	3.8
Apparel and Other Finished Products	6.8	6.7	6.8
Paper and Allied Products	46.8	46.8	47.0
Pulp and Paper Mills	29.0	28.8	29.1
Converted Paper and Paperboard Products	9.4	9.5	9.5
Paperboard Containers and Boxes	7.3	7.4	7.2
Printing, Publishing and Allied Industries	34.3	34.2	33.1
Newspapers	11.2	11.0	10.6
Commercial Printing	14.1	14.2	13.7
Chemicals and Allied Products	9.4	9.4	9.2
Rubber and Misc. Plastics Products	19.0	18.8	17.9
Miscellaneous Plastics Products	14.6	14.3	13.8
Leather and Leather Products	8.2	8.3	8.7
Leather Tanning and Finishing	2.0	2.0	2.5
Footwear (Except Rubber)	4.4	4.4	4.4
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$403	$404	$416	40.2	40.6	41.5
All Manufacturing (Excl. Canning)	407	410	420	40.4	40.8	41.7
Durable Goods	413	417	425	40.3	40.8	41.6
Lumber/Wood Prod. (Exc. Furn.)	299	298	305	40.3	40.0	41.2
Furniture and Fixtures	290	303	310	39.5	40.9	41.9
Stone, Clay and Glass Products	380	396	393	40.5	41.6	42.9
Primary Metal Industries	386	403	400	40.3	41.7	41.9
Iron and Steel Foundries	396	412	419	40.0	41.9	43.0
Fabricated Metal Products	396	404	415	39.4	40.1	41.4
Fab. Structural Metal Prod.	412	419	440	41.4	42.2	44.0
Metal Stampings	378	384	368	37.8	38.7	38.5
Machinery (Except Electrical)	471	473	471	41.2	41.5	41.5
Engines and Turbines	511	498	496	41.4	41.3	39.9
Farm Machinery and Equip.	512	518	517	40.9	42.1	42.6
Const. and Related Mach.	477	489	467	41.7	41.3	40.3
Metalworking Mach. and Equip.	487	494	447	41.7	42.0	40.8
Spec. Ind. Mach. (Exc. Metal) .	475	481	496	42.8	43.1	45.2
Gen. Industrial Mach. and Equip.	479	482	477	40.7	41.3	41.5
Electrical Mach., Equip. and Supp.	389	395	395	40.4	40.8	41.2
Electrical Industrial Apparatus	428	434	420	41.6	41.6	41.2
Transportation Equipment	516	516	549	39.3	40.0	42.4
Instruments and Related Prod.	349	349	354	40.3	40.2	41.5
Nondurable Goods	387	382	400	40.1	40.2	41.3
Food and Kindred Products	354	340	367	38.3	38.4	39.0
Meat Products	312	313	379	37.1	37.5	40.1
Dairy Products	387	380	377	40.5	39.9	40.6
Textile Mill Products	282	284	273	40.1	41.4	39.5
Apparel and Other Fin. Prod.	239	234	229	39.0	37.7	38.9
Paper and Allied Products	502	507	501	45.0	45.0	46.1
Pulp and Paper Mills	543	546	535	46.6	45.8	47.0
Printing, Pub. and Allied Prod.	411	408	461	37.8	38.0	40.6
Chemicals and Allied Products	454	447	443	41.7	41.8	42.4
Rubber and Misc. Plastics Prod.	315	326	328	38.9	40.0	40.2
Leather and Leather Products.	250	250	262	37.7	37.7	39.7

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.03	9.94	10.02	9.70	9.60	9.61
All Manufacturing (Excl. Canning)	10.08	10.06	10.08	9.75	9.72	9.68
Durable Goods	10.26	10.21	10.22	9.97	9.91	9.87
Lumber/Wood Prod. (Exc. Furn.)	7.42	7.44	7.41	7.36	7.38	7.22
Furniture and Fixtures	7.34	7.41	7.41	7.28	7.37	7.33
Stone, Clay and Glass Products	9.38	9.52	9.17	9.16	9.21	8.87
Primary Metal Industries	9.59	9.66	9.54	9.30	9.28	9.26
Iron and Steel Foundries	9.90	9.84	9.75	9.64	9.49	9.45
Fabricated Metal Products	10.05	10.07	10.03	9.66	9.64	9.63
Fab. Structural Metal Prod.	9.95	9.94	10.00	9.55	9.51	9.67
Metal Stampings	10.01	9.92	9.57	9.89	9.75	9.41
Machinery (Except Electrical)	11.44	11.40	11.35	11.10	11.04	11.04
Engines and Turbines	12.34	12.06	12.43	11.99	11.73	12.07
Farm Machinery and Equip.	12.52	12.30	12.14	12.22	12.02	11.88
Const. and Related Mach.	11.45	11.83	11.60	11.16	11.59	11.44
Metalworking Mach. and Equip.	11.69	11.75	10.95	11.19	11.14	10.56
Spec. Ind. Mach. (Exc. Metal)	11.09	11.15	10.98	10.57	10.60	10.62
Gen. Industrial Mach. and Equip.	11.78	11.66	11.49	11.43	11.23	11.03
Electrical Mach., Equip. and Supp.	9.62	9.67	9.58	9.44	9.47	9.29
Electrical Industrial Apparatus	10.29	10.44	10.20	10.23	10.36	9.97
Transportation Equipment	13.12	12.89	12.95	12.70	12.52	12.28
Instruments and Related Prod.	8.65	8.69	8.53	8.46	8.50	8.32
Nondurable Goods	9.65	9.50	9.68	9.24	9.09	9.17
Food and Kindred Products	9.25	8.85	9.42	8.88	8.48	8.88
Meat Products	8.41	8.35	9.45	8.16	8.14	8.95
Dairy Products	9.56	9.52	9.28	9.19	9.10	8.87
Textile Mill Products	7.03	6.86	6.91	6.82	6.63	6.75
Apparel and Other Fin. Prod.	6.14	6.21	5.88	6.07	6.15	5.71
Paper and Allied Products	11.15	11.27	10.87	10.68	10.80	10.35
Pulp and Paper Mills	11.66	11.93	11.38	11.16	11.45	10.82
Printing, Pub. and Allied Prod.	10.88	10.74	11.35	-	-	-
Chemicals and Allied Products	10.89	10.70	10.44	10.59	10.44	10.20
Rubber and Misc. Plastics Prod.	8.11	8.16	8.15	7.87	7.86	7.87
Leather and Leather Products	6.63	6.62	6.61	6.54	6.53	6.46

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* NOVEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$379	$373	$366	40.7	40.5	40.8	9.30	9.22	8.97	–	–
Wisconsin	403	404	416	40.2	40.6	41.5	10.03	9.94	10.02	9.70	9.60
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	417	415	414	42.3	42.3	43.0	9.86	9.80	9.63	9.39	9.34
Beloit (City)	377	351	453	38.5	37.7	46.9	9.79	9.30	9.66	–	–
Eau Claire (Eau Claire-Chippewa)	410	425	400	41.5	42.2	41.6	9.87	10.07	9.62	9.68	9.75
Fond du Lac (County)	400	387	371	43.4	42.3	41.1	9.22	9.16	9.01	8.89	8.83
Green Bay (Brown County)	436	431	443	40.8	41.1	42.1	10.69	10.49	10.53	10.09	9.95
Janesville (City)	491	438	487	38.2	37.6	39.2	12.85	11.65	12.42	12.50	11.55
Janesville-Beloit (Rock County)	444	395	449	38.4	38.1	41.2	11.57	10.38	10.90	11.19	10.16
Kenosha (County)	457	454	516	38.7	39.2	42.5	11.81	11.57	12.15	11.47	11.37
La Crosse (County)	342	343	354	38.8	39.0	39.2	8.81	8.80	9.04	8.55	8.44
Madison (Dane County)	374	383	357	40.2	41.0	39.1	9.31	9.34	9.12	8.90	8.92
Manitowoc (County)	344	339	324	38.3	39.0	38.0	8.98	8.69	8.53	8.78	8.47
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	452	460	462	40.1	40.8	41.6	11.28	11.27	11.11	10.88	10.84
Racine (County)	420	428	432	39.0	39.9	41.6	10.78	10.72	10.39	10.44	10.30
Sheboygan (County)	383	389	374	39.5	40.3	39.3	9.70	9.65	9.52	9.36	9.26
Wausau (Marathon County)	402	396	393	42.5	41.6	42.7	9.45	9.52	9.20	9.11	9.10

EMPLOYMENT, MFG. *(Unadjusted)* NOVEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,775.0	19,851.0	19,093.0	-0.4	3.6
Wisconsin	504.6	509.2	499.3	-0.9	1.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.5	47.7	46.8	-0.4	1.5
Beloit (City)	5.3	5.4	5.9	-1.9	-10.2
Eau Claire (Eau Claire-Chippewa)	9.1	9.1	9.0	0.0	1.1
Fond du Lac (County)	9.8	10.2	9.5	-3.9	3.2
Green Bay (Brown County)	21.8	22.5	21.1	-3.1	3.3
Janesville (City)	11.3	8.2	11.1	37.8	1.8
Janesville-Beloit (Rock County)	19.0	15.8	19.2	20.3	-1.0
Kenosha (County)	17.2	17.5	18.0	-1.7	-4.4
La Crosse (County)	10.6	10.7	10.2	-0.9	3.9
Madison (Dane County)	19.9	19.9	19.1	0.0	4.2
Manitowoc (County)	11.0	11.1	11.7	-0.9	-6.0
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.2	169.6	167.5	-0.2	1.0
Racine (County)	24.8	25.0	24.7	-0.8	0.4
Sheboygan (County)	18.7	19.1	17.5	-2.1	6.9
Wausau (Marathon County)	11.5	11.7	11.4	-1.7	0.9

ECONOMIC INDICATORS REQUIRE INTERPRETATION

by Joseph Tumpach, Jr.

Our's has become a society oriented to change. This is particularly true of our business and economic world, where technology seems to force change at an accelerating pace. Our perspective has changed from what are the present business conditions to how has the present changed and what is the trend. We calculate percent changes, we convert present data to annualized rates, we index, we seasonally adjust, and we project, project, project! The success of a business enterprise often depends on the ability to assess future conditions and to recognize current trends.

Indicators of economic activity are valuable tools for gauging trends in an economy which operates in cycles of expansion and recession, prosperity and leanness. But, economic indicators may require in-depth analysis for proper interpretation.

The help-wanted index is an example. It is a valuable indicator of labor market conditions and the general cyclical health of the economy. The index is based on the number of help-wanted advertisements printed in the classified sections of newspapers in major employment areas. A peculiarity of the help-wanted index is that it starts declining several months before economic activity reaches a peak, and, thus, is a leading indicator. But at the trough of economic activity, a recession, and early in recovery, the help-wanted index tends to coincide or even lag changes in economic activity. Thus, the index changes from a leading to a coinciding or even lagging indicator.

There are a couple of reasons. First, firms will increase the working hours of their existing personnel before hiring new employees, since the turning point to recovery is uncertain. Second, many workers on layoff will be recalled before new hiring begins, thus, delaying the need to advertise. Awareness of the shifts in the indicating potential of the help-wanted index is necessary before basing economic evaluations and predictions on its change.

Other qualifiers exist for other economic indicators. The average number of hours worked per week is a good leading indicator of economic activity throughout the business cycle. We have reliable average workweek data, however, only for manufacturing industries, and only for production workers in manufacturing. Thus, to the extent that the entire economy depends on or is driven by manufacturing industries, or to the extent that the workweek in other industries behaves like the manufacturing workweek during the business cycle, the average workweek figure is a good leading economic indicator.

How significant a part of the economy is manufacturing and what is its future in Wisconsin? While service industries have been the fastest growing industries in number of new employees, and while trade and government employment figures are large, manufacturing remains the largest segment of the economy in number of workers. Wage levels may determine whether manufacturing retains its primacy in employment. Typically high wages in manufacturing often result in more automation on the factory floor, or result in relocation to a cheaper-labor area. Manufacturing wages, however, have recently tended to rise only moderately, with some sectors having wage cuts and wage freezes. Manufacturing will remain a significant employer for some time, and the average workweek remains a valuable indicator.

Increasing hours in the length of the

workweek don't always indicate better business conditions. And a shorter workweek is not necessarily indicative of a deteriorating economy. Seasonal factors can cause dramatic shifts: food processing, when in full season, for example, can lengthen the average workweek figure. An annual average of the workweek number removes the seasonal gyrations and demonstrates the relationship between the average workweek hours and the general economic condition.

The last full-calendar-year of economic growth prior to the latest recession was 1979; the recession began in the fourth quarter of 1980. The recession in Wisconsin reached its depth in the final quarter of 1982. The average number of hours worked per week by production workers in Wisconsin manufacturing clearly shows the cycle. The average workweek fell to under forty hours in 1982, but in 1983 and in the first eleven months of 1984, rose back to over forty hours per week.

A year's worth of weekly averages, however, is quite a gross measurement. Fluctuations of the average can vary significantly within a year from more than just seasonal factors. The average workweek-business cycle relation is complex. To meet changing demands for manufactured products, employers typically find it easier and more economical in the short run to vary the number of hours worked by their production workers than to resort to hiring and laying off.

Once employers are confident of economic recovery, a recall of previously layed off workers and new hiring will reduce the need for longer work weeks. Thus, the average workweek reaches a pause, and rehiring and new hiring begins. Given the need to increase production, there is a point at which an employer will add workers rather than pay premium overtime wages. Once the economy is again booming and once the employer is fully staffed, the average workweek may decrease as employers opt for second shifts or even expand production facilities.

What is important in the production equation is both the number of workers and the time spent on the job. While the average workweek has risen to the pre-recession level in Wisconsin, the number of production workers is still well below the 1979 level. Thus, if the state's manufacturing economy continues to recover and grow during the next year and beyond, the average workweek may decrease slightly, but manufacturing employment will grow. In that case, a decrease in the average workweek will not portend a business slack.

Even a series of data such as wage figures is not as straightforward as it seems. The average earnings of manufacturing production workers is greatly influenced by the business cycle. With the onset of recession, employers normally layoff workers with the least seniority. The remaining, more senior workers, are usually higher paid workers, thus, the average weekly wage of those working tends to rise. With economic recovery, as new employees are added to the payroll, the average wage is lowered by the newer employee's lower starting wage. Coupled with that is an employer's caution in hiring new workers until certain of economic recovery. An employer is usually willing to pay overtime pay to fewer workers rather than rush into new hiring.

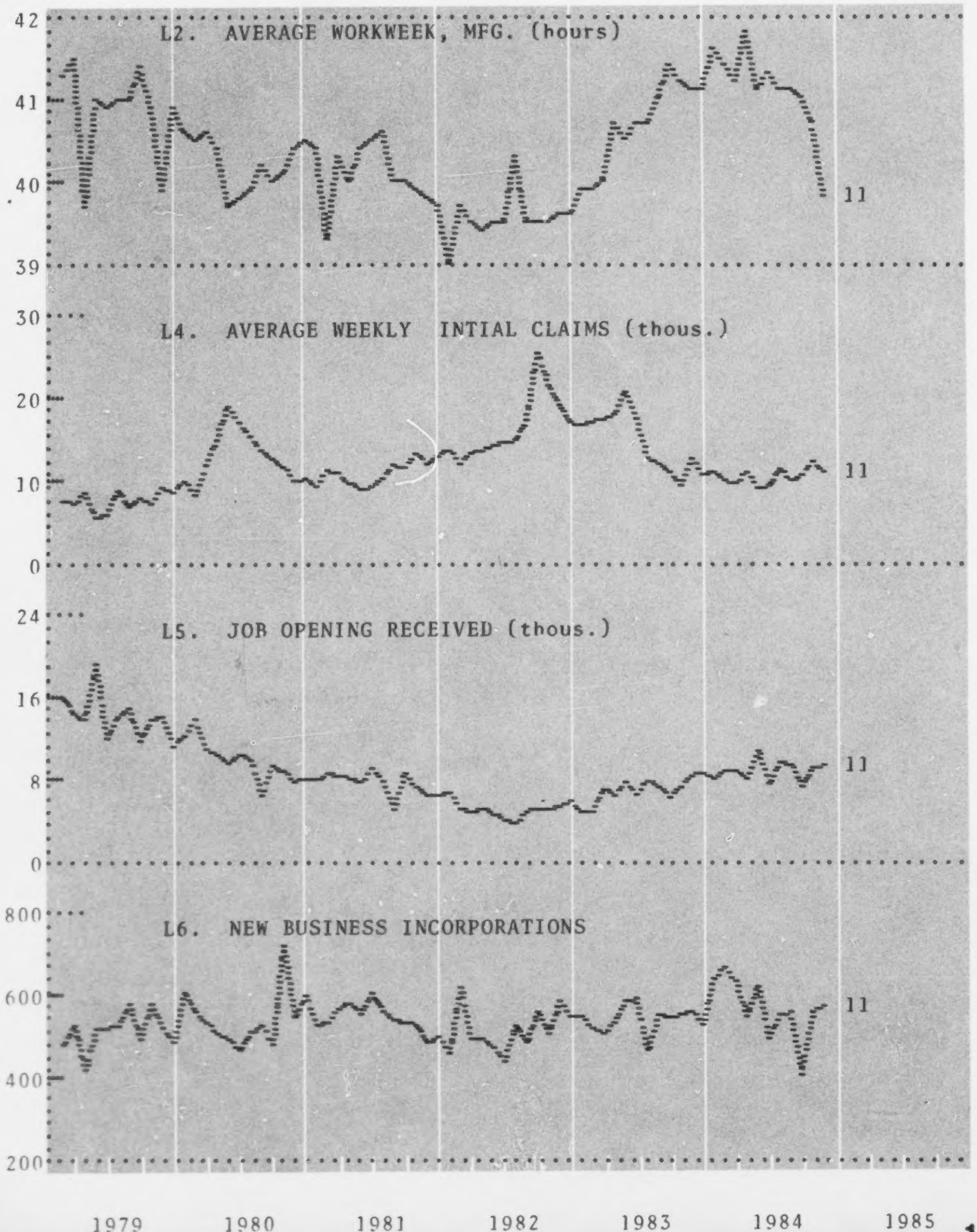
The two trends, lower pay for new workers and caution in hiring new workers, have a counteracting affect on the average wage data. Another factor is that different industries,

(Continued on back cover)

Section

D

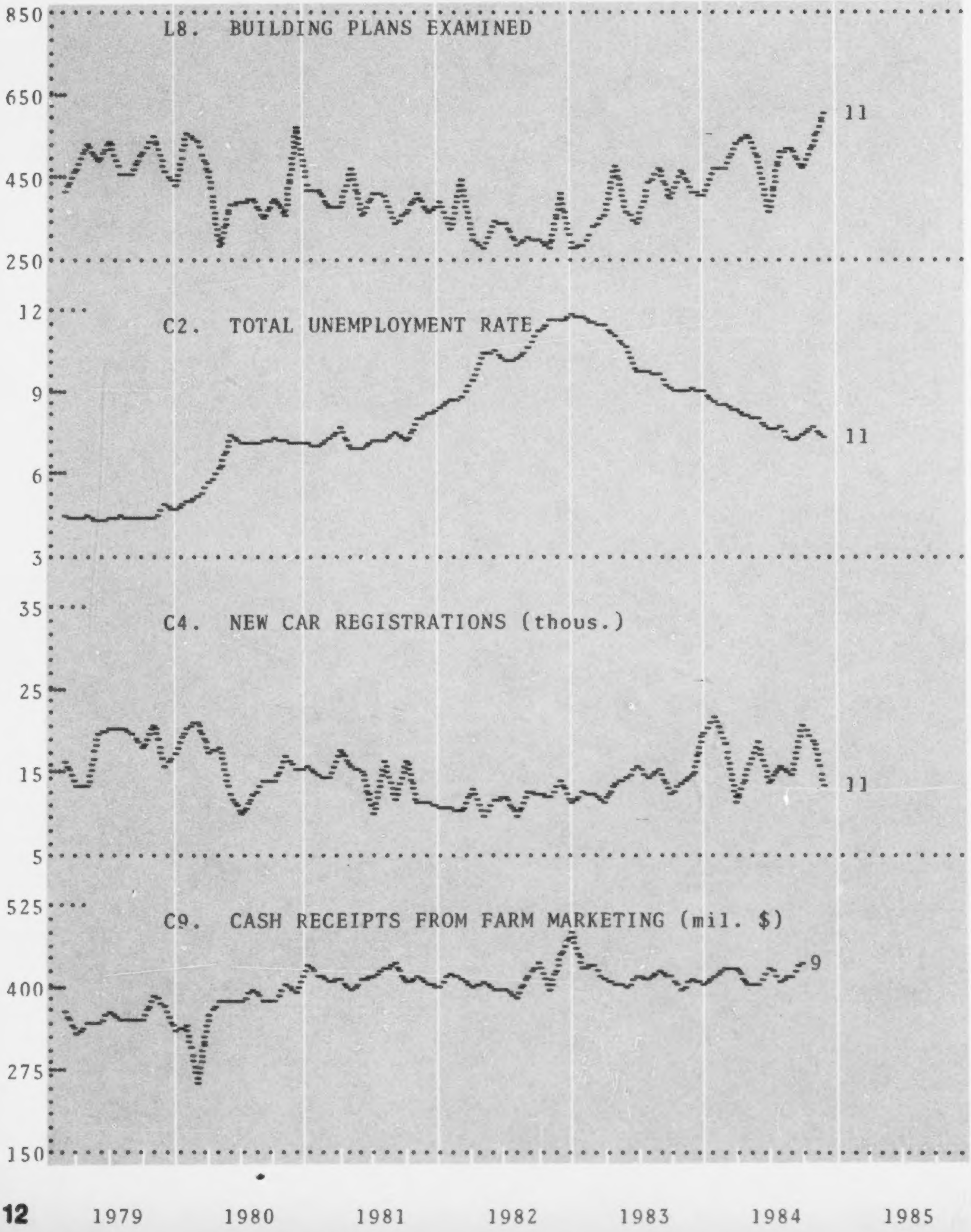
CYCLICAL INDICATORS



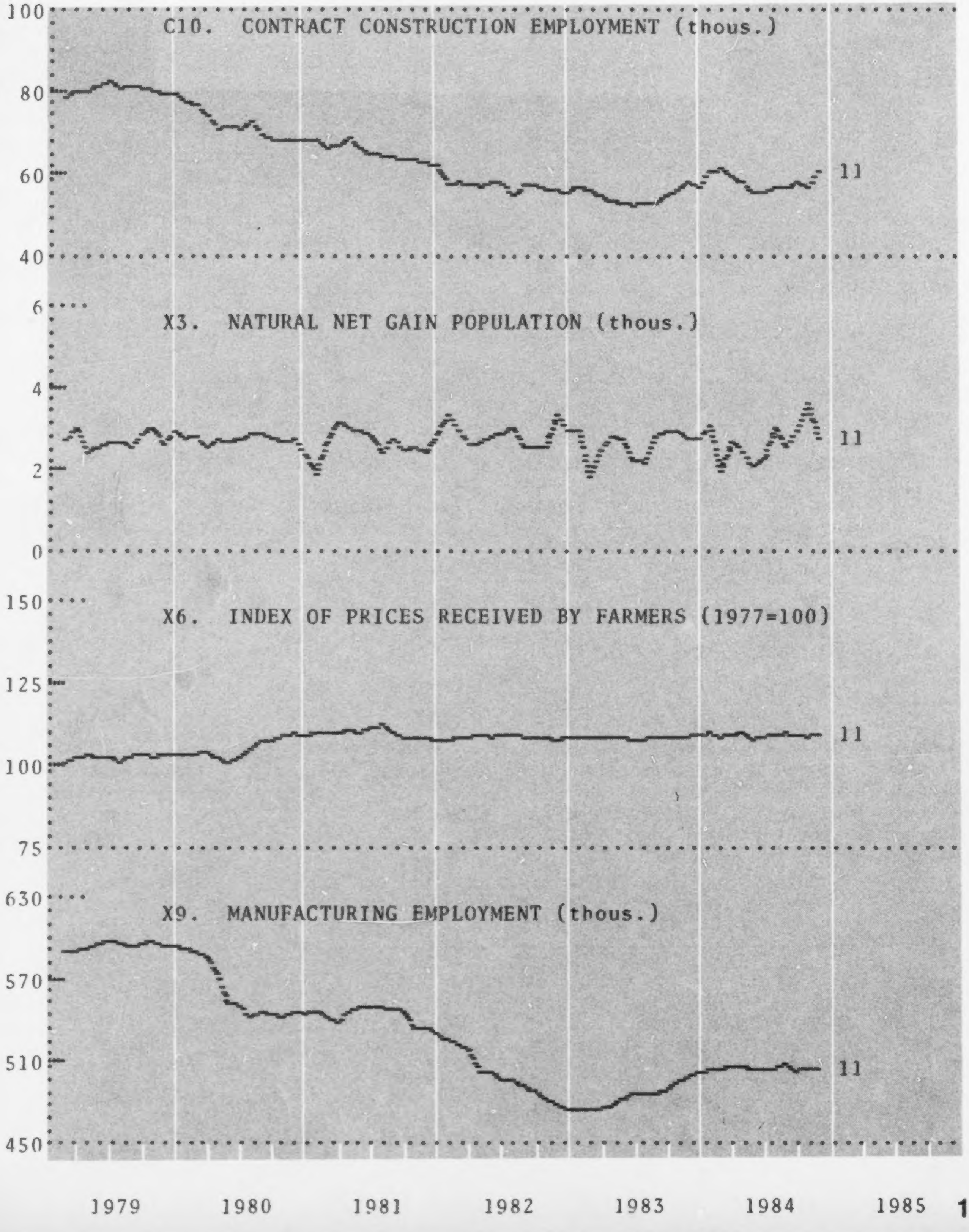
Section

D

CYCLICAL INDICATORS



CYCLICAL INDICATORS



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(Continued from Page 10)

which have different wage scales, are affected differently by a recession. Durable goods manufacturing, usually having higher wages, was more severely affected in the last recession. When interpreting wage figures, like other economic indicators, consideration must be given to the factors affecting the figures.

58750-1

WISCONSIN ECONOMIC INDICATORS

JANUARY 1985

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Winter scene. Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR DECEMBER

LEADING INDICATORS AT THE END OF 1984 REMAIN MIXED. NO CLEAR TRENDS ARE APPARENT FROM THE LATEST MONTH'S DATA. HOWEVER, 1984 AS A WHOLE HAD SIGNIFICANT IMPROVEMENT OVER THE PREVIOUS YEAR.

LEADING INDICATORS

The average number of hours worked per week by production workers in manufacturing increased at the end of the year. December's average workweek of 41.7 hours is well above the seasonal trend.

The annual average workweek figure is the greatest since 1979, indicating a long-range recovery has been and is taking place. However, the growth seems to have been by fits and starts within individual years.

The workweek average was highest in the middle months of 1984, dipped in fall, and, with December's increase, rose again. Even when adjusting for seasonal factors, the December increase is unusual.

Corresponding to the lengthening workweek is an increase in the average weekly overtime hours worked in December. And again, the 1984 annual average for overtime is the greatest since 1979.

The extra working hours in December have come at the expense of the number employed. Production workers employed in manufacturing decreased by 3,800 in the final month of 1984. However, the annual average is up by close to 20,000 over 1983's production worker level.

1984 is the first year since 1979 that annual manufacturing employment levels have increased over the previous year. And, every month of 1984 had a higher manufacturing employment level than the comparable month of one year earlier.

Initial claims for unemployment compensation have fluctuated throughout 1984. The weekly average per month jumped to 18,332 in the final month, but much of that increase is due to normal seasonal factors.

The annual average of weekly initial claims for 1984 is the lowest since 1979. However, the 1979, pre-recession, average is about 2,500 per week lower than this year's.

The monthly average of job openings received by the state's Job Service offices reached the highest level since 1980. The per-month average in 1984 was 8,695, but that was brought down by an unseasonably poor number in December.

Each month in 1984, except December, had a higher number of job orders than the corresponding month of each of the two previous years.

New business incorporations in Wisconsin began 1984 with greater numbers per month than the previous year. But, by the middle of the year the incorporations growth leveled off with some months higher, some lower than year ago numbers.

December's number of new incorporations is down, even when considering seasonal factors. New business incorporations usually pick up in the first couple of months in a new year.

The net gain in business telephone access lines decreased in December. Much of the decrease is normal for that time of year. The business phone access line figure varies considerably from month to month.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	61.3 Dec	72.4	73.0	-15.3	-16.0	58.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.7 Dec	40.2	41.7	3.7	0.0	40.7
Seasonally Adjusted		41.1	39.8	41.1	3.3	0.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.2 Dec	2.8	3.4	14.3	-5.9	2.8
Seasonally Adjusted		3.1	2.7	3.3	14.8	-6.1	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	18,332 Dec	13,601	16,761	34.8	9.4	14,694
Seasonally Adjusted		11,950	11,094	10,925	7.7	9.4	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	4,507 Dec	7,486	6,548	-39.8	-31.2	7,099
Seasonally Adjusted		5,946	9,334	8,636	-36.3	-31.1	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	532 Dec	541	578	-1.7	-8.0	544
Seasonally Adjusted		489	575	532	-15.0	-8.1	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	714 Dec	1,333	-2	-46.4	–	892
Seasonally Adjusted		406	414	763	-1.9	-46.8	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	322 Dec	566	366	-43.1	-12.0	275
Seasonally Adjusted		357	607	406	-41.2	-12.1	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	63 Dec	55	51	14.5	23.5	38
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	7.2 Dec	6.8	9.3	–	–	10.4
Seasonally Adjusted		7.5	7.4	9.0	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	305.6 Nov	190.1	281.5	60.8	8.6	247.9
Seasonally Adjusted		276.3	230.4	254.4	19.9	8.6	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	11,243 Dec	14,034	16,322	-19.9	-31.1	14,429
Seasonally Adjusted		13,720	13,559	19,916	1.2	-31.1	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1851.0 Nov	1963.2	1813.2	-5.7	2.1	1.765
Seasonally Adjusted		1873.5	1949.6	1835.8	-3.9	2.1	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	94.3 Dec	93.4	114.4	1.0	-17.6	143.3
Seasonally Adjusted		121.2	69.7	147.0	73.9	-17.6	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME							
Unadjusted	MIL. DOL.	4,804 Aug	4,788	4,384	0.3	9.6	4,449
Seasonally Adjusted		4,857	4,783	4,433	1.5	9.6	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	423.25 Dec	402.80	424.51	5.1	-0.3	398.01
Seasonally Adjusted		410.13	395.29	411.53	3.8	-0.3	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	468.0 Nov	446.8	460.7	4.7	1.6	415.3
Seasonally Adjusted		420.5	446.8	413.8	-5.9	1.6	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	57.6 Dec	62.4	56.5	-7.7	1.9	55.0
Seasonally Adjusted		58.5	57.2	57.3	2.3	2.1	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5,491 Dec	5,466	5,526	0.5	-0.6	6,006
Seasonally Adjusted		6,656	6,094	6,695	9.2	-0.6	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,380 Dec	3,222	3,333	4.9	1.4	3,391
Seasonally Adjusted		4,038	3,184	3,981	26.8	1.4	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	2,111 Dec	2,244	2,193	-5.9	-3.7	2,615
Seasonally Adjusted		2,662	2,753	2,766	-3.3	-3.8	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	1,943 Dec	3,133	2,211	-38.0	-12.1	3,340
Seasonally Adjusted		3,673	4,079	4,180	-10.0	-12.1	
X5 CONSUMER PRICE INDEX (MILW.)			(Sep)				
Unadjusted	INDEX	324.3 Nov	324.0	312.5	0.1	3.8	309.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	140 Dec	144	141	-2.8	-0.7	142
Seasonally Adjusted		143	145	144	-1.4	-0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	880 Dec	2,212	1,917	-60.2	-54.1	872
Seasonally Adjusted		1,536	1,656	1,029	-7.2	49.3	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	690 Dec	640	614	7.8	12.4	2,542
Seasonally Adjusted		1,513	952	1,346	58.9	12.4	
X9 MANUFACTURING EMPL.							
Unadjusted	THOUS.	501.5 Dec	505.3	497.7	-0.8	0.8	486.0
Seasonally Adjusted		506.6	504.8	502.5	0.4	0.8	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES DECEMBER	(In Thousands) Latest Month	Month Ago	Year Ago	Pct. Chg. Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2393.5	2398.7	2431.7	-0.2	-1.6
Employment (Inc. Labor Disputes)	2220.1	2236.3	2206.4	-0.7	0.6
Unemployment	173.4	162.5	225.3	6.7	-23.0
Unemployment Rate	7.2	6.8	9.3	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2430.7	2434.9	2433.6	-0.2	-0.1
Employment (Inc. Labor Disputes)	2249.3	2254.0	2214.3	-0.2	1.6
Unemployment	181.4	180.9	219.3	0.3	-17.3
Unemployment Rate	7.5	7.4	9.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES DECEMBER	(In Thousands) Latest Month	Month Ago	Year Ago	Pct. Chg. Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1944.6	1955.2	1889.9	-0.5	2.9
Unadjusted					
Manufacturing	500.9	504.7	497.4	-0.8	0.7
Mining	2.0	2.7	2.2	-25.9	-9.1
Contract Construction	57.6	62.4	56.5	-7.7	1.9
Transportation and Public Utilities	88.0	88.8	88.5	-0.9	-0.6
Elec., Gas and Sanitary Services	17.0	17.1	16.7	-0.6	1.8
Wholesale Trade	102.2	102.5	97.6	-0.3	4.7
Retail Trade	362.1	359.3	343.0	0.8	5.6
General Merchandise	50.6	49.9	47.2	1.4	7.2
Finance, Insurance and Real Estate	100.9	100.5	97.6	0.4	3.4
Banking	28.0	27.9	27.0	1.4	3.7
Insurance	32.3	32.0	31.6	0.9	2.2
Service and Miscellaneous	404.3	403.3	387.4	0.2	4.4
Hospitals	69.6	69.8	73.5	-0.3	-5.3
Private Education	23.7	24.3	23.1	-2.5	2.6
Government	326.5	331.0	319.8	-1.4	2.1
State Government	82.8	84.4	81.2	-1.9	2.0
Local Government	216.8	218.2	211.0	-0.6	2.7

UNITED STATES LABOR FORCE ESTIMATES DECEMBER	(In Thousands) Latest Month	Month Ago	Year Ago	Pct. Chg. Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,464	114,074	112,237	0.3	2.0
Employment	106,273	105,932	103,029	0.3	3.1
Unemployment	8,191	8,142	9,208	0.6	-11.0
Unemployment Rate	7.2	7.1	8.2	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* DECEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	500.9	504.7	497.4
All Manufacturing (Excluding Canning)	494.9	496.2	491.5
Durable Goods	314.7	315.3	311.3
Lumber and Wood Prod., (Except Furniture)	21.4	21.6	20.9
Sawmills and Planning Mills	2.9	2.8	2.7
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.4	9.6	9.4
Furniture and Fixtures	10.6	10.6	9.4
Household Furniture	4.9	4.8	4.3
Stone, Clay and Glass Products	7.6	8.3	7.9
Concrete, Gypsum and Plaster Products	3.0	3.7	3.4
Primary Metal Industries	19.6	20.0	18.9
Iron and Steel Foundries	11.1	11.4	10.3
Fabricated Metal Products	50.0	49.6	50.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.4	4.6	5.1
Fabricated Structural Metal Products	12.6	12.6	12.2
Metal Stampings	12.1	12.0	12.5
Machinery (Except Electrical)	99.0	98.5	97.3
Engines and Turbines	20.0	19.8	20.9
Farm Machinery and Equipment	12.4	12.3	12.7
Const., Min. & Material Handling Mach. & Equip.	12.9	13.0	13.2
Metalworking Machinery and Equipment	10.6	10.6	10.0
Special Industry Machinery (Except Metalworking)	10.2	10.1	9.6
General Industrial Machinery and Equipment	14.2	14.2	13.6
Service Industry Machines	7.7	7.7	7.4
Electrical Machinery, Equipment and Supplies	49.4	49.5	50.1
Electrical Industrial Apparatus	17.2	16.9	17.5
Household Appliances	6.6	6.5	6.5
Transportation Equipment	35.7	35.7	36.5
Motor Vehicles and Equipment	28.8	29.0	29.6
Instruments and Related Products	10.7	10.7	10.1
Miscellaneous Manufacturing	10.7	10.8	9.8
Nondurable Goods	186.2	189.3	186.1
Food and Kindred Products	57.1	60.0	58.8
Meat Products	13.9	14.2	13.8
Dairy Products	16.5	16.5	17.2
Canning and Preserving	6.0	8.4	5.9
Bakery Products	4.4	4.3	4.9
Beverage Industries	9.0	9.0	9.7
Textile Mill Products	4.7	4.8	4.3
Knitting Mills	3.9	4.1	3.6
Apparel and Other Finished Products	6.9	6.8	6.8
Paper and Allied Products	46.7	46.8	46.9
Pulp and Paper Mills	29.0	29.0	29.1
Converted Paper and Paperboard Products	9.3	9.4	9.5
Paperboard Containers and Boxes	7.4	7.3	7.1
Printing, Publishing and Allied Industries	34.3	34.3	33.2
Newspapers	11.1	11.2	10.6
Commercial Printing	14.1	14.1	13.9
Chemicals and Allied Products	9.2	9.3	9.1
Rubber and Misc. Plastics Products	18.9	19.0	18.0
Miscellaneous Plastics Products	14.5	14.6	13.8
Leather and Leather Products	8.0	8.1	8.6
Leather Tanning and Finishing	2.0	2.0	2.5
Footwear (Except Rubber)	4.4	4.4	4.4
Other Nondurable Goods	–	–	–

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$423	$403	$425	41.7	40.2	41.7
All Manufacturing (Excl. Canning)	424	406	426	41.6	40.3	41.7
Durable Goods	434	412	437	41.7	40.2	42.0
Lumber/Wood Prod. (Exc. Furn.)	311	299	301	40.9	40.3	40.6
Furniture and Fixtures	295	289	312	40.0	39.4	42.2
Stone, Clay and Glass Products	384	379	377	41.0	40.5	42.1
Primary Metal Industries	416	383	409	42.8	40.2	42.1
Iron and Steel Foundries	437	392	422	43.5	40.0	42.6
Fabricated Metal Products	412	396	415	40.4	39.4	41.5
Fab. Structural Metal Prod.	441	412	444	43.5	41.4	43.3
Metal Stampings	391	378	383	38.8	37.8	39.4
Machinery (Except Electrical)	491	470	494	42.3	41.2	42.6
Engines and Turbines	551	511	564	43.3	41.4	43.7
Farm Machinery and Equip.	514	507	527	41.3	40.5	42.6
Const. and Related Mach.	489	477	472	42.0	41.7	40.8
Metalworking Mach. and Equip.	495	480	465	42.6	41.7	40.7
Spec. Ind. Mach. (Exc. Metal) .	510	476	516	44.9	42.9	46.7
Gen. Industrial Mach. and Equip.	492	478	483	41.4	40.6	41.4
Electrical Mach., Equip. and Supp.	399	388	403	41.1	40.2	41.3
Electrical Industrial Apparatus	426	427	453	41.3	41.5	41.8
Transportation Equipment	563	511	585	43.4	39.3	43.8
Instruments and Related Prod.	368	349	345	42.5	40.3	40.7
Nondurable Goods	405	387	402	41.7	40.1	41.1
Food and Kindred Products	383	354	385	40.9	38.3	39.6
Meat Products	332	314	375	38.5	37.4	39.0
Dairy Products	382	384	370	40.3	40.5	39.7
Textile Mill Products	286	282	263	40.1	40.1	36.7
Apparel and Other Fin. Prod.	235	231	226	38.6	38.2	36.9
Paper and Allied Products	530	503	502	46.8	45.0	46.1
Pulp and Paper Mills	555	547	536	47.3	46.8	47.1
Printing, Pub. and Allied Prod.	410	411	445	38.5	37.8	39.8
Chemicals and Allied Products	468	455	437	42.4	41.6	41.3
Rubber and Misc. Plastics Prod.	317	316	321	39.3	39.0	39.4
Leather and Leather Products.	256	252	258	38.5	37.9	39.1

DATA INCLUDES ALL FULL-TIME AND PART-TIME EMPLOYES WHO WORKED DURING, OR RECEIVED PAY FOR, ANY PART OF THE PAY PERIOD WHICH INCLUDES THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED PERSONS, DOMESTIC SERVANTS AND PERSONNEL OF THE ARMED FORCES ARE EXCLUDED. PEOPLE ON SICK LEAVE, VACATIONS, OR HOLIDAYS AND BEING PAID FOR THAT PERIOD BY THEIR EMPLOYER ARE CONSIDERED EMPLOYED. EARNINGS AND HOURS DATA PERTAIN TO PRODUCTION AND RELATED WORKERS IN MANUFACTURING INDUSTRIES. THE EARNINGS FIGURES ARE "GROSS" FIGURES, THAT IS, THEY REFLECT CHANGES IN WAGE RATES, SHIFT DIFFERENTIALS, AND PREMIUM PAY FOR OVERTIME WORK. THE HOURS FIGURES RELATE TO THE HOURS FOR WHICH PAY WAS RECEIVED AND ARE DIFFERENT FROM SCHEDULED OR STANDARD WORK HOURS.

ALL CURRENT MONTH DATA ARE PRELIMINARY. DUE TO BENCHMARK REVISIONS CURRENTLY-PUBLISHED DATA MAY DIFFER FROM PREVIOUSLY-PUBLISHED DATA FOR THE SAME MONTH. WISCONSIN DATA ARE CURRENTLY ADJUSTED TO EMPLOYMENT LEVELS OF 1ST QUARTER, 1984. BENCHMARK REVISIONS DURING THE MOST RECENT THREE YEARS FOR WISCONSIN TOTAL NONAGRICULTURAL EMPLOYMENT HAVE AVERAGED 1.0 PERCENT.

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.15	10.02	10.18	9.78	9.69	9.75
All Manufacturing (Excl. Canning)	10.20	10.07	10.21	9.81	9.74	9.78
Durable Goods	10.40	10.25	10.40	10.03	9.95	10.01
Lumber/Wood Prod. (Exc. Furn.)	7.61	7.41	7.42	7.51	7.35	7.35
Furniture and Fixtures	7.37	7.34	7.40	7.31	7.28	7.32
Stone, Clay and Glass Products	9.37	9.37	8.96	9.18	9.16	8.76
Primary Metal Industries	9.71	9.53	9.71	9.34	9.24	9.31
Iron and Steel Foundries	10.04	9.81	9.90	9.69	9.55	9.59
Fabricated Metal Products	10.19	10.06	9.99	9.70	9.67	9.61
Fab. Structural Metal Prod.	10.14	9.95	10.26	9.63	9.55	9.81
Metal Stampings	10.08	10.00	9.73	9.89	9.87	9.55
Machinery (Except Electrical)	11.61	11.42	11.59	11.16	11.08	11.08
Engines and Turbines	12.72	12.34	12.90	12.11	11.99	12.01
Farm Machinery and Equip.	12.44	12.52	12.37	12.17	12.21	12.07
Const. and Related Mach.	11.65	11.45	11.57	11.32	11.16	11.32
Metalworking Mach. and Equip.	11.63	11.50	11.42	11.10	11.02	10.97
Spec. Ind. Mach. (Exc. Metal) .	11.35	11.10	11.04	10.66	10.56	10.55
Gen. Industrial Mach. and Equip.	11.89	11.78	11.66	11.44	11.43	11.24
Electrical Mach., Equip. and Supp.	9.71	9.66	9.75	9.49	9.47	9.50
Electrical Industrial Apparatus	10.32	10.29	10.84	10.20	10.21	10.59
Transportation Equipment	12.97	13.01	13.35	12.51	12.59	12.76
Instruments and Related Prod.	8.67	8.65	8.47	8.48	8.46	8.31
Nondurable Goods	9.72	9.65	9.79	9.34	9.24	9.30
Food and Kindred Products	9.37	9.24	9.72	9.15	8.86	9.21
Meat Products	8.62	8.39	9.61	8.34	8.13	9.08
Dairy Products	9.48	9.49	9.33	9.08	9.07	8.92
Textile Mill Products	7.12	7.03	7.16	6.94	6.82	6.72
Apparel and Other Fin. Prod.	6.09	6.06	6.13	6.01	6.02	5.96
Paper and Allied Products	11.33	11.17	10.88	10.80	10.70	10.37
Pulp and Paper Mills	11.73	11.68	11.37	11.19	11.17	10.82
Printing, Pub. and Allied Prod.	10.65	10.86	11.18	-	-	-
Chemicals and Allied Products	11.03	10.93	10.59	10.61	10.63	10.34
Rubber and Misc. Plastics Prod.	8.07	8.10	8.14	7.83	7.86	7.85
Leather and Leather Products.	6.65	6.65	6.59	6.55	6.54	6.47

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) DECEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$388	$379	$372	41.3	40.7	41.2	9.39	9.30	9.04	–	–
Wisconsin	423	403	425	41.7	40.2	41.7	10.15	10.02	10.18	9.78	9.69
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	445	416	423	44.1	42.3	43.6	10.10	9.83	9.70	9.56	9.36
Beloit (City)	385	379	443	40.0	39.2	45.6	9.63	9.67	9.72	–	–
Eau Claire (Eau Claire-Chippewa)	414	411	399	41.4	41.7	41.3	10.01	9.85	9.65	9.73	9.65
Fond du Lac (County)	405	400	376	44.0	43.4	41.4	9.21	9.22	9.09	8.81	8.89
Green Bay (Brown County)	470	436	448	42.7	40.7	42.3	11.00	10.71	10.60	10.30	10.12
Janesville (City)	582	489	615	42.8	38.0	45.1	13.59	12.87	13.63	13.18	12.53
Janesville-Beloit (Rock County)	501	442	522	41.5	38.3	44.4	12.08	11.55	11.76	11.62	11.16
Kenosha (County)	498	459	507	44.1	38.9	41.7	11.30	11.79	12.17	10.94	11.46
La Crosse (County)	357	342	355	39.6	38.8	40.3	9.01	8.81	8.81	8.67	8.55
Madison (Dane County)	398	377	354	41.3	40.1	38.3	9.64	9.39	9.23	9.19	9.01
Manitowoc (County)	374	346	344	40.7	38.4	39.8	9.19	9.01	8.65	8.95	8.81
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	468	451	474	41.2	40.1	42.1	11.36	11.24	11.27	10.87	10.84
Racine (County)	440	420	438	40.1	39.0	41.9	10.97	10.77	10.46	10.54	10.43
Sheboygan (County)	392	382	382	40.0	39.3	39.8	9.80	9.72	9.59	9.42	9.37
Wausau (Marathon County)	402	400	383	42.2	42.4	41.9	9.52	9.44	9.14	9.16	9.10

EMPLOYMENT, MFG. (Unadjusted) DECEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,736.0	19,782.0	19,085.0	-0.2	3.4
Wisconsin	500.9	504.7	497.4	-0.8	0.7
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.1	47.7	46.4	-1.3	1.5
Beloit (City)	5.4	5.3	5.9	1.9	-8.5
Eau Claire (Eau Claire-Chippewa)	9.0	9.1	8.8	-1.1	2.3
Fond du Lac (County)	9.7	9.8	9.5	-1.0	2.1
Green Bay (Brown County)	21.3	21.8	20.8	-2.3	2.4
Janesville (City)	11.3	11.3	11.2	0.0	0.9
Janesville-Beloit (Rock County)	19.0	19.0	19.2	0.0	-1.0
Kenosha (County)	17.1	17.1	18.0	0.0	-5.0
La Crosse (County)	10.6	10.6	10.1	0.0	5.0
Madison (Dane County)	19.6	19.8	18.8	-1.0	4.3
Manitowoc (County)	10.4	10.9	11.2	-4.6	-7.1
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.8	169.3	169.0	0.3	0.5
Racine (County)	25.1	24.7	24.9	1.6	0.8
Sheboygan (County)	18.5	18.7	17.5	-1.1	5.7
Wausau (Marathon County)	11.6	11.6	11.6	0.0	0.0

WHERE THE JOBS ARE

by August L. Cibarich

PROFESSIONAL WORK OCCUPATIONS

Overall employment of Professionals continued to increase since 1980, despite the recession. However, the rate of growth was reduced significantly by the hard economic times and technological changes.

A shift in the mix within the Professional Occupation grouping has occurred. The number of K-12 Teachers employed declined. The growth in the number of Licensed Registered and Practical Nurses employed may have ended with more of the workers in this occupation working at non-Hospital worksites, and fewer working in Hospitals. The number of Professional Workers employed by the state's Manufacturing and Construction industies has declined significantly since 1980 as cost-cutting measures to reduce "overhead" costs was one means employed to insure firms in these troubled industries would survive.

The rapid growth in Retailing and Service and Financial and Insurance Firms offered additional opportunities for Professional workers as Professional jobs are scattered throughout the Service-Producing Industries.

The demand for Data Processing Specialists was slowed by the recession and the rapid growth in the use of small computers at the expense of mainframe computers. This development affected the demand for Applications Programmers the most.

Extensive declines in the need for Drafters occurred as a result of the introduction of Computer Assisted Design (CAD). Declines are beginning to occur in the growth rate of Electrical Engineers as Computer Assisted Engineering (CAE) comes on board.

The decline in Government Employment, a big source of Employment for Professional workers, also limited growth in job opportunities for Professionals.

Strong job growth in some industries such as the Service Industries will provide additional job opportunities for Professional workers. Much, but not all of this gain will be displaced by declines in the use of Professional workers in other industries.

TECHNICAL WORK OCCUPATIONS

Of all the occupational areas the Technical grouping offers the best opportunity for growth.

With the expansion of Computer Assisted Design, Manufacturing and Engineering, many additional jobs will be created in this category. Changes that reduce the need for workers in other occupational groups will increase the need for workers in this group.

Fortunately, Wisconsin has a long-established system of Technical Institutes to train workers in this category.

One disturbing aspect of some of the more recently emerging technologies is the number of Wisconsin-trained workers finding employment outside of the state. In these instances, Wisconsin's human capital investment in training, while benefiting the individual, does not benefit the state's economy as a whole.

The number of Technical jobs is expected to increase by several thousand between 1984 and mid-1986. This is the second highest rate of increase (3.0%), of any of the industry groups. Continued emphasis on "high tech" solutions to our economic problems will continue to increase the need for Technicians.

MANAGERIAL WORK

The sharp expansion in the number of Service sector firms in our economy since 1980 has expanded employment opportunities for Managers in these industries. Declines occurred in the number of Managers employed in the Manufacturing and Construction industries, but the net result was a significant increase in the overall number of Managers employed. Many of the additional jobs were of the self-employment type.

The number of Managerial jobs is expected to increase by 1,200 between 1984 and mid-1986, as growth in the number of new firms is expected to be slower than in the four year period from 1980 to 1984. Competitive pressures are expected to continue to restrict the addition of, or recall of, many Managers; and continuing reduction of overhead expense will result in additional layoffs.

SALES WORK OCCUPATIONS

The rapid increase in the number of retail establishments has not resulted in an increase of Sales jobs since 1980. Jobs in retail firms, a major employer of Sales and Service workers, increased 13,800 during the period from 1980 to 1984. One segment, eating and drinking firms, was responsible for most of this growth. The remaining retail industries, which employ the Sales Workers, changed very little overall. Resulting job growth occurred in the Service Occupations, not the Sales Occupations, since eating and drinking firms employ Service workers in large numbers, not Sales Workers.

While growth occurred in several of the remaining retail industries, declines in general merchandising and in automotive dealers and gasoline service stations more than balanced out these gains.

As a result, Wage and Salary Sales jobs gained very little, despite the opening of many additional stores.

While this may sound contradictory, it is explained by the productivity increases in retailing. The use of advanced technology, restructuring of traffic flow, more self-service, and above all fierce competition, resulted in fewer workers handling the workload and a lower number of workers staffing the individual store. The number of Sales Workers is expected to remain about the same from 1984 through mid-1986. Additional Sales Jobs created by growth in the number of firms is expected to continue to be balanced out by continued productivity improvement in the industry as a whole.

CLERICAL WORK

The information age requires that more information be processed. Under "normal" circumstances, this would result in the generation of an additional army of Clerical Workers. But these are not "normal" times. Technology is changing the nature of work and the work experience. Computers, word processers, printers and assorted additional hardware are rapidly changing the Clerical worksite into a "clerical floor", amazingly similar to the "factory floor".

Office machines now entering the office in unprecedented numbers are still primarily used independently of each other, just as factory machines were used for a century or more.

In the factory, machining centers have been rapidly replacing individual machines which were used independently of each other for many decades. Office machine centers are starting to link word processors, computers and terminals, mailroom functions and data control. Thus, the office which has just begun its widespread use of machines is already thinking about linking the machines.

It now appears that the office will undergo its shift from hand work to machine processing and then, in a much shorter period (a few years rather than a century), to integrating the machines into an office center.

Thus, to estimate the Clerical staffing and training needs, both a greatly increasing workload and a two-phase rapid increase in productivity must be considered. Some feel office productivity can potentially increase threefold when fully integrated.

Over the year and one half from 1984 through mid-1986, we expect the number of Clerical jobs to increase by about 2,500 jobs.

SERVICE WORK

This occupational grouping is a collection of occupations which are quite dissimilar in function performed, education needed, special training and training time required.

The occupational group has been growing rapidly overall. In 1980, it was estimated that about 300,000 Wisconsin residents were engaged in Service Occupations, doing "Service Work".

The original projections to 1990 for this group assumed a continuation of the rapid growth that had occurred previously. If we look back at the impact of the recession of the early 80's that affected other occupational groups so extensively, we see a much less dramatic impact on Service. No overall decline in the number of Service jobs appears to have occurred during the recession, but a dramatic shift has occurred towards the Food Service occupations, and away from the Minor Repair Services, especially Automotive Service. The rapid growth in the Health Service jobs area, that has occurred as a result of the former rapid expansion of Health Care, has leveled off with the decline in employment in hospitals.

With the resumed rapid expansion of eating and drinking establishments, the number of Food Service workers has grown extensively. A large number of these jobs are part-time positions. This area of Service Work may expand further, however, its rapid growth is close to "topping out". Exactly when growth will end is not known.

The number of Service Jobs is expected to increase by 10,000 between 1984 and mid-1986.

Blue Collar Employment Decline to Continue

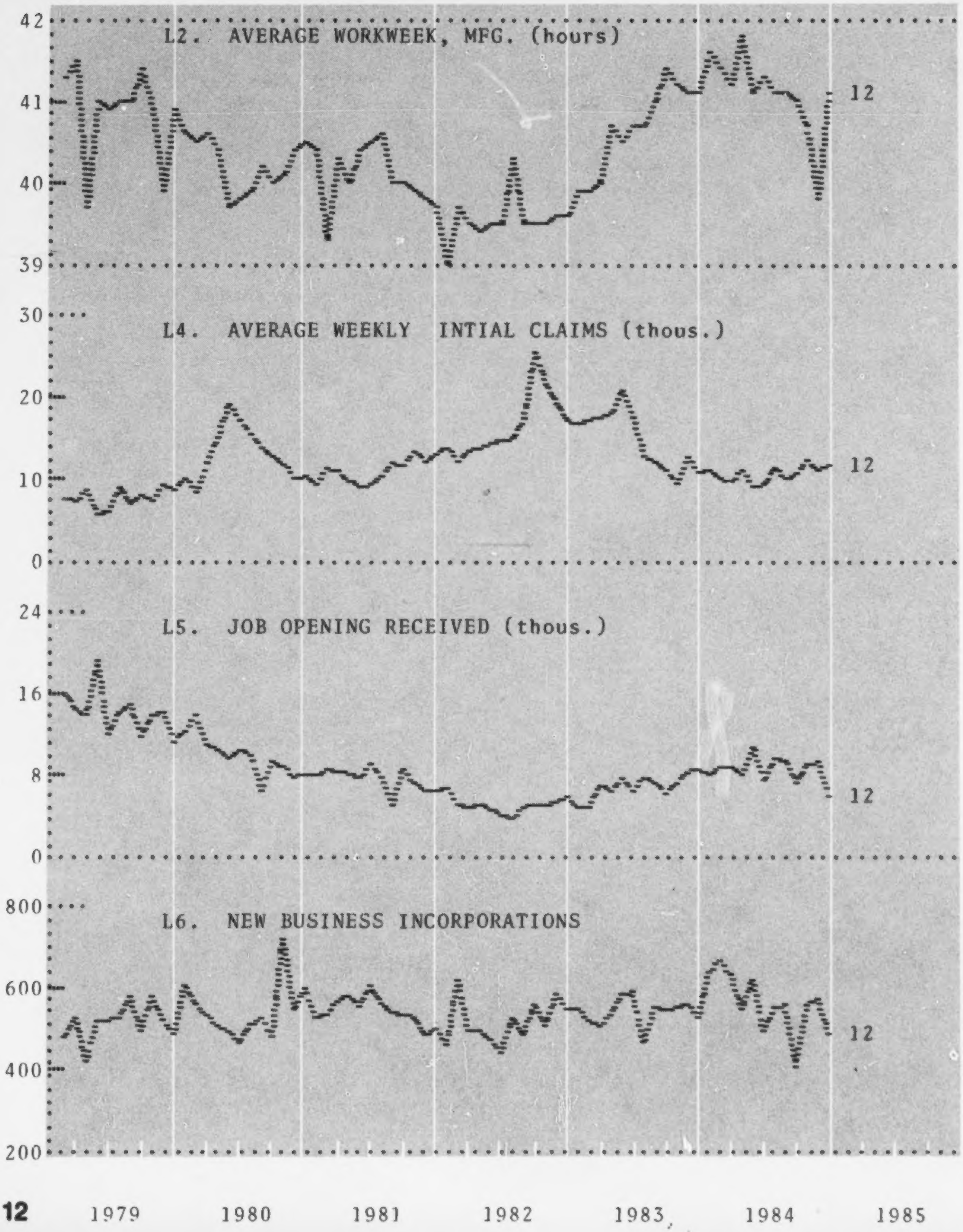
The number of workers in Blue Collar occupations peaked in 1979, dropped drastically during the recession of the early 1980's and recouped some, but not much, of its losses in the two years of recovery we have experienced.

Factories, repair shops, construction sites, warehouses, and other firms employing Blue Collar Workers have emerged from the recession and recovery leaner and much more productive.

In Wisconsin, employers of Blue Collar Workers were hit harder and longer than the nation as a whole. While the nation as a whole has finally

(Continued on back cover)

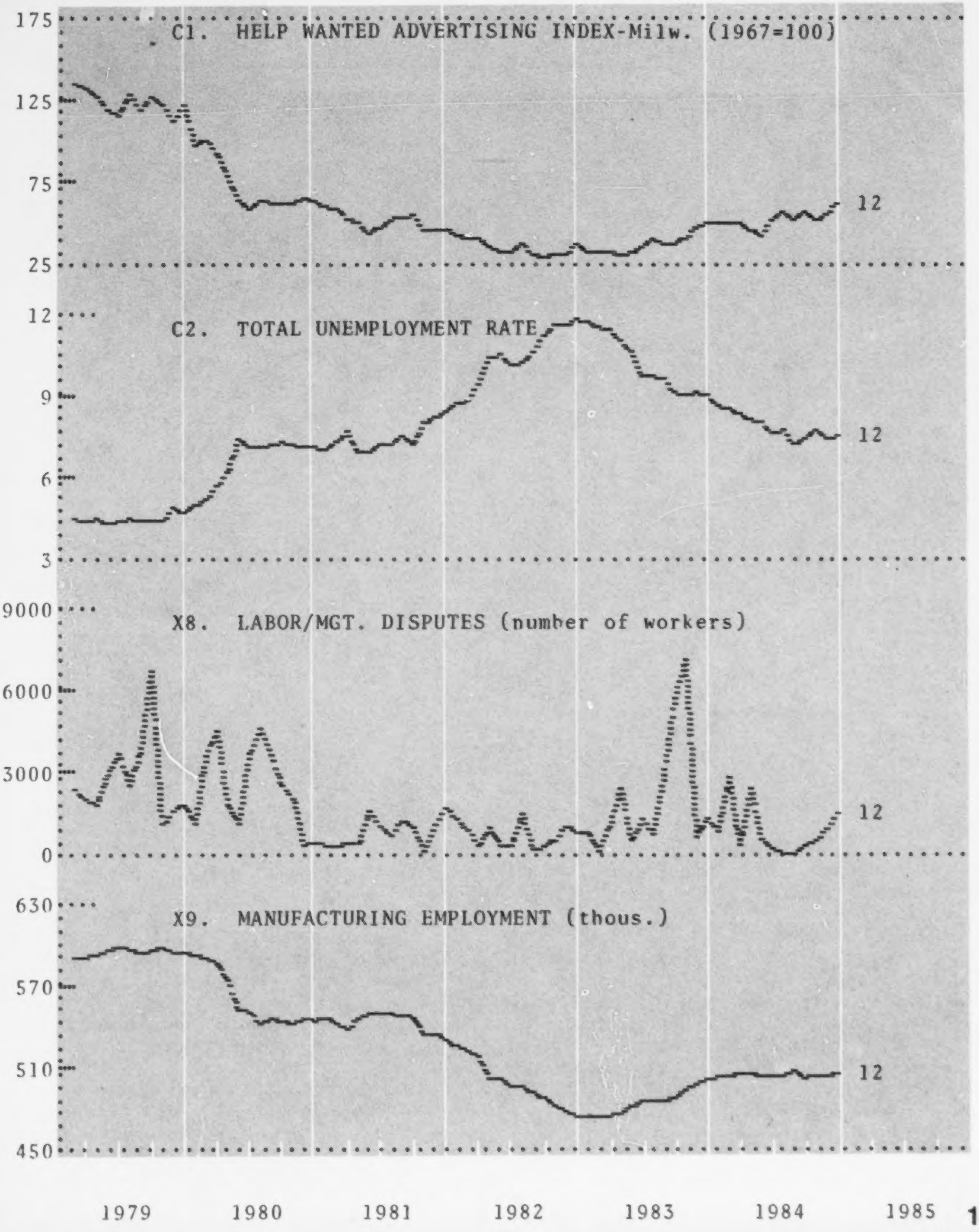
CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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(Continued from page 11)

surpassed the Nonfarm Wage and Salary Employment peak levels reached immediately prior to the recession, this has not occurred in Wisconsin, and may not in the foreseeable future. Durable Goods Manufacturing and Construction firms which employ large numbers of Blue Collar workers have barely begun to recover the jobs they lost between 1980 and 1982.

Thus, in the short run continued erosion of Blue Collar Employment is likely. Over a longer period (five or more years from now), some employment opportunities not now apparent will emerge for Blue Collar workers.

In 1980, the number of Blue Collar workers was estimated to be about 675,000. Current estimates of Blue Collar Employment remain below the 1980 figures, as the industries which employ "Blue Collar Workers" are still significantly below their pre-recessionary high.

The 1990 "Blue Collar" employment level is now expected to be much lower than that previously forecast. The level at the end of our forecast period (June 1986) is now expected to be lower than the 1980 level, with that level expected to be only slightly lower than that of 1984. Several hundred thousand Blue Collar jobs are thought to be vulnerable to a number of developments over a longer period of time.

Laborers or Unskilled Workers

This category has been in general decline for several decades. Computer Assisted Manufacturing is accelerating the decline. This level of Blue Collar Workers is also very susceptible to being transferred to other lower paying states and nations.

Operatives or Semiskilled Workers

This type of Blue Collar work had been declining at a slower rate than Laboring work, but is now being displaced at a faster pace by Computer Assisted Manufacturing. Spray painting, arc and spot welding and other repetitive tasks are already being done by robots and computers. Second and third generation robots will be much more capable of replacing human labor. A number of the developing countries now have sufficient capital and technical know-how to compete with firms in our state at this level of sophistication.

Crafts or Skilled Work

The impact of Computer Assisted Manufacturing and Computer Assisted Design on Craft work is not fully understood at this time. What is known is that job content is changing. What the overall need for Craft workers will be has not been addressed by any extensive studies of the issue, such as was done in the early 1960's when concern over "automation" resulted in a number of special studies to explain the changes.

The number of Blue Collar jobs is expected to decrease by 12,000 between 1984 and mid-1986. The number of Craftsmen employed is expected to decline by 2,000, with a drop in the number of Operatives and Laborers employed of 5,000 for each category.

58750-1

WISCONSIN ECONOMIC INDICATORS

FEBRUARY 1985

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Spring scene. Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR JANUARY

LEADING INDICATORS BEGAN 1985 WITH CLEARLY POSITIVE SIGNALS OF ECONOMIC IMPROVEMENT. MOST OF THE LEADING INDICATORS HAD BETTER THAN NORMAL SEASONAL TRENDS IN THE DECEMBER TO JANUARY PERIOD.

LEADING INDICATORS

The average number of hours worked per week by production workers in manufacturing is a significant barometer of economic activity. The average workweek is immediately susceptible to economic changes.

The average workweek declined by eight-tenths of an hour in January; and though a decrease is normal for that month, this January's drop is more than the usual seasonal trend.

Contributing to the average hours decline was a shortening of the average number of overtime hours worked. Again, a decline is usual for January. And, this January's decrease of overtime fits the seasonal trend.

The average number of initial claims for unemployment compensation dropped by over 3 thousand in January - a significant drop in the actual level, and a slight drop in the trend from the normal seasonal pattern.

The number of job openings received from employers by Job Service offices throughout the state increased dramatically in January. The increase was almost double the usual January seasonal trend.

Indicators of business development looked rosy in January. New business incorporations grew at well-above the seasonal rate; and the number of business telephone net access lines decreased at much less than the seasonally usual pace.

The number of building plans examined by the state's Safety and Building Division declined, but at less than a seasonally normal rate.

WISCONSIN LABOR FORCE

Employment declined by nearly 80 thousand in one month, but a large decrease is normal for January. One year ago, employment had dropped by over 56 thousand workers at the beginning of the year.

January's total employment level was the best ever for any January, even with the larger-than-normal drop from the previous month.

Unemployment, at the same time, rose by almost 6 thousand. A rise in January is usual, but this month's increase is greater than the seasonal trend.

January's unemployment, however, was the lowest level for any January in the last five years and was about 32 thousand below the level of one year ago.

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

Wage rates for 410 occupations are being published by the Labor Market Information bureau. The wage survey will include data for the state, for each of the state's Service Delivery Areas, and for each Metropolitan Statistical Area (MSA). The publication should be available by the end of April. Request by calling Dianne Carlson, 608-267-9607.

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** **

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	75.8 Jan	63.8	69.3	18.8	9.4	58.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.1 Jan	41.9	41.5	-1.9	-1.0	40.7
Seasonally Adjusted		41.1	41.4	41.5	-0.7	-1.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.3 Jan	3.4	3.4	-2.9	-2.9	2.8
Seasonally Adjusted		3.4	3.4	3.5	0.0	-2.9	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	15,068 Jan	18,332	13,761	-17.8	9.5	14,694
Seasonally Adjusted		12,035	12,111	10,994	-0.6	9.5	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	7,985 Jan	4,507	6,310	77.2	26.5	7,099
Seasonally Adjusted		10,618	5,822	8,385	82.4	26.6	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	631 Jan	532	573	18.6	10.1	544
Seasonally Adjusted		690	511	627	35.0	10.0	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	-115 Jan	714	-2,438	-116.1	95.3	892
Seasonally Adjusted		888	450	107	97.3	729.9	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	290 Jan	322	331	-9.9	-12.4	275
Seasonally Adjusted		429	407	490	5.4	-12.4	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	56 Jan	63	51	-11.1	-9.8	38
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	8.1 Jan	7.7	9.5	-	-	10.4
Seasonally Adjusted		7.7	7.2	8.3	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	305.6 Nov	190.1	281.5	60.8	8.6	247.9
Seasonally Adjusted		276.3	230.4	254.4	19.9	8.6	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	16,489 Jan	11,243	14,551	46.7	13.3	14,429
Seasonally Adjusted		22,762	14,265	20,065	59.6	13.4	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1819.0 Dec	1851.0	1858.5	-1.7	-2.1	1,765
Seasonally Adjusted		1874.4	1872.7	1911.5	0.1	-1.9	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	93.1 Jan	94.3	109.1	-1.3	-14.7	143.3
Seasonally Adjusted		83.6	109.8	98.0	-23.9	-14.7	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,804	Aug	4,788	4,384	0.3	9.6	4,449
Seasonally Adjusted		4,857		4,783	4,433	1.5	9.6	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	423.74	Jan	426.54	421.64	-0.7	0.5	398.01
Seasonally Adjusted		420.79		415.33	418.84	1.3	0.5	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	468.0	Nov	446.8	460.7	4.7	1.6	415.3
Seasonally Adjusted		420.5		446.8	413.8	-5.9	1.6	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	52.9	Jan	58.3	50.4	-9.3	5.0	55.0
Seasonally Adjusted		64.0		58.6	61.0	9.2	4.9	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,500	Jan	5,491	6,626	18.4	-1.9	6,006
Seasonally Adjusted		6,024		6,249	6,143	-3.6	-1.9	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	4,339	Jan	3,380	4,323	28.4	0.4	3,391
Seasonally Adjusted		3,425		3,766	3,411	-9.1	0.4	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,161	Jan	2,111	2,303	2.4	-6.2	2,615
Seasonally Adjusted		2,567		2,579	2,734	-0.5	-6.1	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	2,268	Jan	1,943	2,205	16.7	2.9	3,340
Seasonally Adjusted		3,484		3,323	3,386	4.8	2.9	
X5 CONSUMER PRICE INDEX (MILW.)				(Nov)				
Unadjusted	INDEX	324.6	Jan	324.3	314.0	0.1	3.4	309.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	146	Jan	139	147	5.0	-0.7	142
Seasonally Adjusted		144		142	145	1.4	-0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	2,815	Jan	880	-920	219.9	406.0	872
Seasonally Adjusted		1,920		1,431	352	34.2	445.5	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	440	Jan	690	394	-36.2	11.7	2,542
Seasonally Adjusted		1,005		1,172	899	-14.2	11.8	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	509.9	Jan	516.5	503.8	-1.3	1.2	486.0
Seasonally Adjusted		520.3		521.4	514.0	-0.2	1.2	

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2351.8	2425.8	2357.8	-3.1	-0.3
Employment (Inc. Labor Disputes)	2160.4	2240.1	2134.3	-3.6	1.2
Unemployment	191.4	185.7	223.6	3.1	-14.4
Unemployment Rate	8.1	7.7	9.5	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2434.8	2424.8	2445.4	0.4	-0.4
Employment (Inc. Labor Disputes)	2246.2	2249.4	2241.8	-0.1	0.2
Unemployment	188.6	175.4	203.6	7.5	-7.4
Unemployment Rate	7.7	7.2	8.3	-	-

WISCONSIN EMPLOYMENT ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1931.1	1982.9	1863.9	-2.6	3.6
Unadjusted					
Manufacturing	509.5	515.9	503.5	-1.2	1.2
Mining	1.1	1.5	1.3	-26.7	-15.4
Contract Construction	52.9	58.5	50.4	-9.3	5.0
Transportation and Public Utilities	88.4	91.9	87.7	-3.8	0.8
Elec., Gas and Sanitary Services	17.0	17.0	16.7	0.0	1.8
Wholesale Trade	100.6	101.6	95.9	-1.0	4.9
Retail Trade	349.7	373.8	333.6	-6.4	4.8
General Merchandise	49.0	53.6	47.2	-8.6	3.8
Finance, Insurance and Real Estate	103.9	104.1	99.4	-0.2	4.5
Banking	28.3	28.0	27.1	1.1	4.4
Insurance	33.1	33.0	32.3	0.3	2.5
Service and Miscellaneous	406.3	410.4	337.5	-1.0	4.9
Hospitals	68.2	68.2	71.3	0.0	-4.3
Private Education	24.9	25.3	22.7	-1.6	9.7
Government	318.7	325.4	304.6	-2.1	4.6
State Government	80.8	83.4	73.1	-3.1	10.5
Local Government	211.5	215.6	205.2	-1.9	3.1

UNITED STATES LABOR FORCE ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,875	114,464	112,320	0.4	2.3
Employment	106,391	106,273	103,294	0.1	3.0
Unemployment	8,484	8,191	9,026	3.6	-6.0
Unemployment Rate	7.4	7.2	8.0	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* JANUARY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	509.5	515.9	503.5
All Manufacturing (Excluding Canning)	503.1	509.3	497.1
Durable Goods	318.6	323.5	316.1
Lumber and Wood Prod., (Except Furniture)	20.4	20.8	20.8
Sawmills and Planning Mills	3.2	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.9	9.1	9.6
Furniture and Fixtures	11.2	11.2	9.8
Household Furniture	4.9	4.9	4.5
Stone, Clay and Glass Products	6.4	6.8	7.1
Concrete, Gypsum and Plaster Products	2.1	2.5	2.6
Primary Metal Industries	19.6	19.7	19.0
Iron and Steel Foundries	11.0	11.1	10.5
Fabricated Metal Products	50.1	50.7	50.4
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.9	5.0	5.7
Fabricated Structural Metal Products	11.6	12.0	11.4
Metal Stampings	12.7	12.6	12.8
Machinery (Except Electrical)	101.9	104.2	100.5
Engines and Turbines	20.7	21.0	21.9
Farm Machinery and Equipment	11.3	13.0	13.9
Const., Min. & Material Handling Mach. & Equip.	11.1	11.1	11.6
Metalworking Machinery and Equipment	12.0	12.0	10.6
Special Industry Machinery (Except Metalworking)	11.0	11.1	10.4
General Industrial Machinery and Equipment	15.5	15.5	14.0
Service Industry Machines	8.0	8.1	7.5
Electrical Machinery, Equipment and Supplies	52.0	52.4	51.7
Electrical Industrial Apparatus	18.4	18.4	18.2
Household Appliances	6.9	7.1	6.7
Transportation Equipment	35.9	36.5	36.7
Motor Vehicles and Equipment	29.0	29.6	29.8
Instruments and Related Products	10.9	11.0	10.5
Miscellaneous Manufacturing	10.2	10.3	9.6
Nondurable Goods	190.9	192.3	187.4
Food and Kindred Products	57.8	58.4	58.4
Meat Products	14.1	14.1	13.9
Dairy Products	17.5	17.6	17.2
Canning and Preserving	6.4	6.6	6.4
Bakery Products	3.9	4.0	4.5
Beverage Industries	8.3	8.4	9.0
Textile Mill Products	4.5	4.5	4.0
Knitting Mills	3.8	3.8	3.3
Apparel and Other Finished Products	6.3	6.5	6.3
Paper and Allied Products	46.5	46.9	46.3
Pulp and Paper Mills	29.1	29.2	29.0
Converted Paper and Paperboard Products	9.2	9.4	9.3
Paperboard Containers and Boxes	7.1	7.1	6.8
Printing, Publishing and Allied Industries	37.0	37.0	34.7
Newspapers	11.7	11.7	10.8
Commercial Printing	15.4	15.3	14.5
Chemicals and Allied Products	9.8	9.8	9.6
Rubber and Misc. Plastics Products	21.0	21.1	19.6
Miscellaneous Plastics Products	16.6	16.7	15.3
Leather and Leather Products	7.6	7.8	8.3
Leather Tanning and Finishing	1.8	1.8	2.3
Footwear (Except Rubber)	4.1	4.2	4.3
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JANUARY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$424	$427	$422	41.1	41.9	41.5
All Manufacturing (Excl. Canning)	425	428	423	41.1	41.8	41.5
Durable Goods	439	439	434	41.3	42.0	41.9
Lumber/Wood Prod. (Exc. Furn.)	303	311	306	39.8	41.0	41.1
Furniture and Fixtures	306	304	312	41.0	41.0	41.5
Stone, Clay and Glass Products	367	380	379	39.9	41.0	41.7
Primary Metal Industries	397	417	403	41.1	42.9	42.0
Iron and Steel Foundries	409	438	412	40.9	43.7	42.1
Fabricated Metal Products	412	412	414	40.4	40.4	41.4
Fab. Structural Metal Prod.	438	443	429	42.7	43.5	42.7
Metal Stampings	393	391	394	38.9	38.8	40.2
Machinery (Except Electrical)	497	497	495	42.2	42.9	42.6
Engines and Turbines	590	555	572	43.7	43.6	44.4
Farm Machinery and Equip.	506	523	498	41.2	41.8	41.4
Const. and Related Mach.	478	492	481	40.9	41.9	40.1
Metalworking Mach. and Equip.	500	509	492	42.9	43.2	42.6
Spec. Ind. Mach. (Exc. Metal) .	492	511	511	43.3	44.9	46.7
Gen. Industrial Mach. and Equip.	509	508	483	42.0	42.1	41.5
Electrical Mach., Equip. and Supp.	401	401	392	40.8	40.9	41.4
Electrical Industrial Apparatus	429	425	415	41.5	40.9	40.9
Transportation Equipment	600	578	568	43.1	44.0	43.2
Instruments and Related Prod.	350	370	327	39.9	42.4	38.9
Nondurable Goods	397	404	401	40.6	41.7	40.9
Food and Kindred Products	369	380	385	39.1	40.9	38.9
Meat Products	322	332	386	37.9	38.6	38.1
Dairy Products	380	381	370	40.0	40.4	39.4
Textile Mill Products	299	293	273	40.2	40.6	38.5
Apparel and Other Fin. Prod.	238	237	218	38.1	38.8	36.5
Paper and Allied Products	519	537	494	45.6	47.1	45.4
Pulp and Paper Mills	564	566	529	47.2	47.7	46.4
Printing, Pub. and Allied Prod.	406	407	439	37.9	38.6	39.7
Chemicals and Allied Products	452	469	446	41.5	42.3	42.0
Rubber and Misc. Plastics Prod.	316	313	330	39.5	39.5	40.4
Leather and Leather Products.	252	255	261	38.0	38.6	39.2

DATA INCLUDES ALL FULL-TIME AND PART-TIME EMPLOYES WHO WORKED DURING, OR RECEIVED PAY FOR, ANY PART OF THE PAY PERIOD WHICH INCLUDES THE 12TH OF THE MONTH. PROPRIETORS, SELF-EMPLOYED PERSONS, DOMESTIC SERVANTS AND PERSONNEL OF THE ARMED FORCES ARE EXCLUDED. PEOPLE ON SICK LEAVE, VACATIONS, OR HOLIDAYS AND BEING PAID FOR THAT PERIOD BY THEIR EMPLOYER ARE CONSIDERED EMPLOYED. EARNINGS AND HOURS DATA PERTAIN TO PRODUCTION AND RELATED WORKERS IN MANUFACTURING INDUSTRIES. THE EARNINGS FIGURES ARE "GROSS" FIGURES, THAT IS, THEY REFLECT CHANGES IN WAGE RATES, SHIFT DIFFERENTIALS, AND PREMIUM PAY FOR OVERTIME WORK. THE HOURS FIGURES RELATE TO THE HOURS FOR WHICH PAY WAS RECEIVED AND ARE DIFFERENT FROM SCHEDULED OR STANDARD WORK HOURS.

ALL CURRENT MONTH DATA ARE PRELIMINARY. DUE TO BENCHMARK REVISIONS CURRENTLY-PUBLISHED DATA MAY DIFFER FROM PREVIOUSLY-PUBLISHED DATA FOR THE SAME MONTH. WISCONSIN DATA ARE CURRENTLY ADJUSTED TO EMPLOYMENT LEVELS OF 4TH QUARTER, 1982. BENCHMARK REVISIONS DURING THE MOST RECENT THREE YEARS FOR WISCONSIN TOTAL NONAGRICULTURAL EMPLOYMENT HAVE AVERAGED 0.6 PERCENT.

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JANUARY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.31	10.18	10.16	9.88	9.79	9.74
All Manufacturing (Excl. Canning)	10.34	10.23	10.19	9.91	9.82	9.77
Durable Goods	10.62	10.46	10.36	10.20	10.06	9.96
Lumber/Wood Prod. (Exc. Furn.)	7.62	7.59	7.44	7.53	7.53	7.34
Furniture and Fixtures	7.47	7.42	7.52	7.35	7.32	7.32
Stone, Clay and Glass Products	9.21	9.27	9.08	9.10	9.11	8.79
Primary Metal Industries	9.66	9.72	9.60	9.34	9.33	9.23
Iron and Steel Foundries	10.00	10.03	9.78	9.72	9.68	9.45
Fabricated Metal Products	10.19	10.20	10.00	9.76	9.71	9.59
Fab. Structural Metal Prod.	10.25	10.18	10.05	9.81	9.65	9.59
Metal Stampings	10.11	10.09	9.79	9.93	9.90	9.54
Machinery (Except Electrical)	11.77	11.59	11.62	11.28	11.15	11.15
Engines and Turbines	13.50	12.74	12.88	12.58	12.11	12.05
Farm Machinery and Equip.	12.29	12.50	12.03	–	12.19	11.76
Const. and Related Mach.	11.68	11.75	12.00	11.41	11.39	11.84
Metalworking Mach. and Equip.	11.66	11.78	11.56	11.25	11.23	11.09
Spec. Ind. Mach. (Exc. Metal) .	11.36	11.38	10.94	10.75	10.68	10.50
Gen. Industrial Mach. and Equip.	12.11	12.06	11.63	11.75	11.53	11.25
Electrical Mach., Equip. and Supp.	9.82	9.80	9.46	9.63	9.55	9.24
Electrical Industrial Apparatus	10.34	10.40	10.14	10.25	10.27	9.94
Transportation Equipment	13.93	13.13	13.14	13.20	12.63	12.50
Instruments and Related Prod.	8.78	8.72	8.40	8.63	8.52	8.20
Nondurable Goods	9.78	9.69	9.80	9.32	9.32	9.35
Food and Kindred Products	9.45	9.28	9.89	9.02	9.09	9.46
Meat Products	8.49	8.59	10.14	8.17	8.28	9.78
Dairy Products	9.50	9.42	9.38	9.10	9.04	9.02
Textile Mill Products	7.44	7.21	7.10	7.20	6.98	6.93
Apparel and Other Fin. Prod.	6.25	6.10	5.98	6.18	6.04	5.84
Paper and Allied Products	11.39	11.41	10.89	10.83	10.86	10.36
Pulp and Paper Mills	11.95	11.86	11.40	11.35	11.29	10.84
Printing, Pub. and Allied Prod.	10.71	10.54	11.07	–	–	–
Chemicals and Allied Products	10.90	11.08	10.61	10.59	10.62	10.34
Rubber and Misc. Plastics Prod.	8.01	7.92	8.18	7.74	7.75	7.85
Leather and Leather Products.	6.64	6.60	6.65	6.49	6.52	6.52

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. **Production Workers** *(Unadjusted)* JANUARY	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$378	$386	$369	40.2	41.2	40.6	9.40	9.38	9.09	–	–
Wisconsin	424	427	422	41.1	41.9	41.5	10.31	10.18	10.16	9.88	9.79
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	428	447	418	42.6	44.2	43.1	10.05	10.11	9.69	9.55	9.54
Beloit (City)	371	399	442	39.9	40.8	46.6	9.29	9.79	9.49	–	–
Eau Claire (Eau Claire-Chippewa)	401	409	408	40.8	41.2	42.3	9.84	9.92	9.65	9.40	9.63
Fond du Lac (County)	391	404	378	42.3	43.8	41.9	9.25	9.22	9.03	8.89	8.83
Green Bay (Brown County)	462	471	434	41.8	42.9	41.0	11.06	10.97	10.59	10.40	10.28
Janesville (City)	642	583	615	45.4	42.9	45.2	14.13	13.59	13.61	13.01	13.18
Janesville-Beloit (Rock County)	533	503	526	43.1	41.8	44.7	12.36	12.04	11.76	11.21	11.64
Kenosha (County)	488	497	470	39.2	44.1	40.1	12.45	11.27	11.72	12.19	10.95
La Crosse (County)	340	354	342	38.6	39.4	39.2	8.81	8.99	8.73	8.52	8.69
Madison (Dane County)	401	400	377	42.2	41.3	40.1	9.51	9.69	9.39	9.00	9.22
Manitowoc (County)	358	371	340	38.6	40.3	38.4	9.27	9.21	8.86	9.07	8.98
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	474	473	71	41.2	41.6	41.8	11.51	11.37	11.26	10.98	10.89
Racine (County)	402	435	430	38.8	40.1	41.4	10.36	10.84	10.38	10.06	10.50
Sheboygan (County)	392	390	379	39.6	40.0	40.3	9.89	9.76	9.40	9.54	9.36
Wausau (Marathon County)	408	398	374	42.6	41.9	40.3	9.57	9.50	9.27	9.23	9.13

EMPLOYMENT, MFG. *(Unadjusted)* JANUARY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,603.0	19,749.0	19,030.0	-0.7	3.0
Wisconsin	509.5	515.9	503.5	-1.2	1.2
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	46.1	46.5	44.8	-0.9	2.9
Beloit (City)	5.7	5.8	5.9	-1.7	-3.4
Eau Claire (Eau Claire-Chippewa)	8.8	9.2	8.7	-4.3	1.1
Fond du Lac (County)	10.4	10.5	10.0	-1.0	4.0
Green Bay (Brown County)	22.3	22.3	21.7	0.0	2.8
Janesville (City)	10.9	11.0	10.8	-0.9	0.9
Janesville-Beloit (Rock County)	18.8	19.1	18.8	-1.6	0.0
Kenosha (County)	15.3	15.7	16.5	-2.5	-7.3
La Crosse (County)	10.8	11.0	10.2	-1.8	5.9
Madison (Dane County)	20.5	20.4	19.3	0.5	6.2
Manitowoc (County)	10.9	11.0	11.7	-0.9	-6.8
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	173.5	175.2	172.6	-1.0	0.5
Racine (County)	24.1	25.9	25.6	-6.9	-5.9
Sheboygan (County)	19.0	19.1	18.1	-0.5	5.0
Wausau (Marathon County)	10.9	11.0	10.7	-0.9	1.9

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert
Department of Revenue

Fears of an impending "growth recession" have now all but vanished after fourth quarter growth in real GNP was revised to a 4.9% rate, compared to the preliminary Commerce Department estimate of 2.8 percent. The fundamentals for continued moderate growth this year appear to be in place. The current forecast now calls for annual average growth of 3.3% in real GNP for 1985.

Improvements in the near term outlook relies on new evidence that somewhat bloated inventories were quickly brought back into line in the fourth quarter, as well as the likelihood of improved trade volumes due to restraints on steel, textiles and other commodities. The fourth quarter trade performance could be misleading, however, with some supplies filling their quotas early in the year, imports of protected products would have decreased in any case. If voluntary Japanese auto import quotas are allowed to expire, U.S. trade balances would deteriorate further. However, this would also bring about more downward pressure on inflation.

In spite of renewed optimism, reflected in a newly buoyant stock market and interest rate declines for much of the last half of 1984, the current forecast differs little from the forecast three months ago. Threatening clouds on the economic horizon still persist in the form of massive federal budget and trade deficits. Moreover, higher real growth in the economy does not automatically translate into improved revenue outlooks for either the federal government or state and local governments, because the continuing good news on inflation also holds down the nominal growth in the tax base.

Much of the recent improvement in inflation and interest rates is due to weaker growth and an easing of monetary policy by the Federal Reserve during the last half of 1984. The high value of the dollar is also fostering continued cost consciousness and wage restraints in industries competing for national and international markets, and thus helps to hold down prices. Recent downward price adjustments by OPEC also suggest that the good news on inflaction will continue.

Fiscal policy remains overly stimulative due to the large Federal deficits. Monetary policy is therefore cast in a policing role by default. It is reasonable to expect to see continued braking and easing on the part of the Federal Reserve in response to perceived growth spurts or sluggishness. As a consequence, the economy will most likely continue to be characterized by oscillations around a moderate growth path with the exact timing of the peaks and troughs difficult to foresee.

The outlook for 1986 and 1987 is much more conditioned by the "twin deficits" than the outlook for this year. Two key factors could produce a downturn within the next 18 months: the continued strength of the dollar and the large Federal budget deficits. As long as U.S. interest rates remain high relative to foreign rates and long-term capital investments continue to be attractive, the dollar will maintain its strength. At some point, the trade deficit should produce downward pressure on the dollar and should slow the growth of imports this year and next. But this would result in a slowing of the growth in the trade deficit, not a reversal.

The Federal budget deficit poses perhaps the greatest threat to sustained economic growth. Treasury refinancing has posed little problem to date because private sector borrowing has been relatively weak. Without additional expenditure cuts or tax increases, however, interest rates will likely rise by the fall of this year when Treasury refinancing-needs begin to clash with private credit demands. The current forecast assumes that prompt spending cuts are unlikely. Even after correcting for business cycle influences, the structural deficit is expected to remain at 4.2% of full-employment GNP in 1986, forcing interest rates up while absorbing 24% of new savings. The general effects on the economy are clear even if the exact timing is not. Exceptionally high real interest rates will depress private investment, weaken manufacturing competitiveness, and expand our overseas debt burden.

The stronger short-term outlook for the economy increases the probability of credit tightening later this year. Thus, the expansion has the likelihood of slower growth later this year and in 1986, followed by renewed moderate growth in 1987. Real GNP growth is expected to average 2.7% next year, followed by average growth of 3.3% in 1987.

Recent Events

Revised employment data for 1983 and 1984 soon to be released by the Department of Labor, Industry and Human Relations indicates that the Wisconsin economy has recovered from the recession more strongly than had been previously reported. The revised data from a routine rebenchmarking procedure, indicate that total nonfarm wage and salary employment was about 1.8% higher by the third quarter of 1984 than had been reported. The largest revisions were made in manufacturing and trade employment. Other service producing sectors were also revised upward. Estimates of employment in government and mining were reduced. Although the magnitude of the revisions is not particularly large, the direction of the change is good news for those concerned about the state's economic performance.

The revised employment data provide a good basis for reevaluating the Wisconsin economy's performance during the current recovery. Wisconsin has added 128,000 jobs since the economy bottomed out in the fourth quarter of 1982. To a large extent, the recovery of the state's economy parallels that of the national economy which is characterized by relatively weak growth in the manufacturing sector and strong growth in the trade and services sectors. For both Wisconsin and the nation, more than half the jobs created during the recovery are in the trade and service sectors. By contrast, employment in manufacturing remains below the pre-recession peak.

Although the Wisconsin economy has experienced a marginally weaker recovery than the nation, the weakness does not appear to be concentrated in the manufacturing sector. Growth in nondurables goods employment actually exceeds the national average. Durable goods employment growth is less than the national average and remains a concern, particularly in light of the fact that the growth is off a severely depressed base. Overall manufacturing growth rates are virtually identical for Wisconsin and the U.S. during the recovery. Growth in construction and service employment differ more significantly from the national rates. Slower recovery of construction employment is explained by the fact that construction activity is heavily concentrated in the rapidly growing states of the South and West.

While manufacturing employment in Wisconsin has been growing throughout the recovery, average hourly earnings in manufacturing have shown little growth. In fact, average hourly earnings have declined in each of the last three quarters of 1984. This data series had not shown a decline between 1961 and 1983.

While the decline is explained in part by a reduction in overtime hours, other factors are clearly at work. Since the beginning of the recovery, average hourly earnings in manufacturing have increased by only 4.4%. This represents a decline of about 3% after adjusting for inflation. Weakened wage rates have mixed implications for the Wisconsin economy. Lower increases in wage rates translates into weaker income growth which tends to dampen economic growth. On the other hand, since average hourly earnings in manufacturing have continued to grow on the national level, our competitive positive relative to other states has improved. In the fourth quarter of 1984, average hourly earnings in manufacturing in Wisconsin were 7.2% higher than the national average. This is the lowest percent difference since 1969. (It should be noted that Wisconsin average annual earnings in all private employment, including non-manufacturing sectors, were about 8% below the U.S. average in 1983).

The Forecast

The current economic forecast projects an increase of 2.6% in total Wisconsin nonfarm wage and salary employment in 1985. Total employment is expected to grow by 1.4% in 1986 and 1.5% in 1987. The outlook for manufacturing remains weak due to high interest rates and the strong dollar. Foreign competition in both international and domestic markets continues to be a serious problem for Wisconsin's manufacturers. The majority of employment growth is forecast to occur in the trade and service sectors. Service employment is forecast to grow 3.5% in 1985, 2.7% in 1986 and 2.6% in 1987. Trade employment is forecast to grow by 3.5% in 1985, 1.5% in 1986, and 1.7% in 1987.

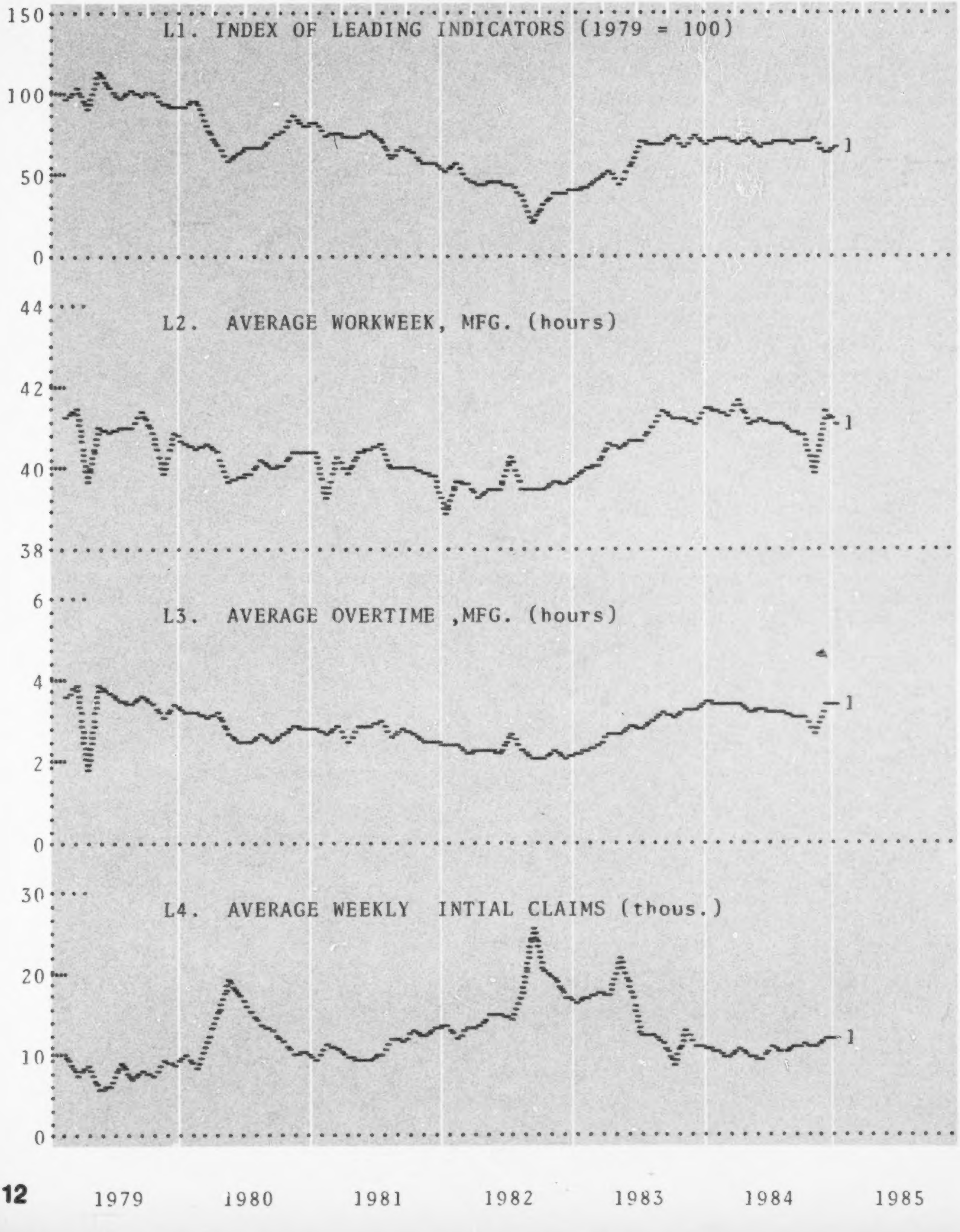
Wisconsin personal income is forecast to grow by about 5% in 1985 and 1986, and by 7% in 1987. The modest growth rates in personal income largely result from a lower forecast for inflation at the national level, but also reflects recent weakness in the length of the work week and in average hourly earnings. The forecast continues to show property income growing at rates in the 6 to 10% range over the forecast horizon. The forecast for personal interest income for 1985 has been reduced to reflect the recent decline in interest rates. The outlook for farm proprietor's income continues to be grim. The strong dollar has reduced export opportunities, and the farm price support programs are under attack as the federal government looks for ways to reduce its budget deficit. Lower oil prices should provide some help, but on balance farm income is likely to decline.

(Employment projections on back cover)

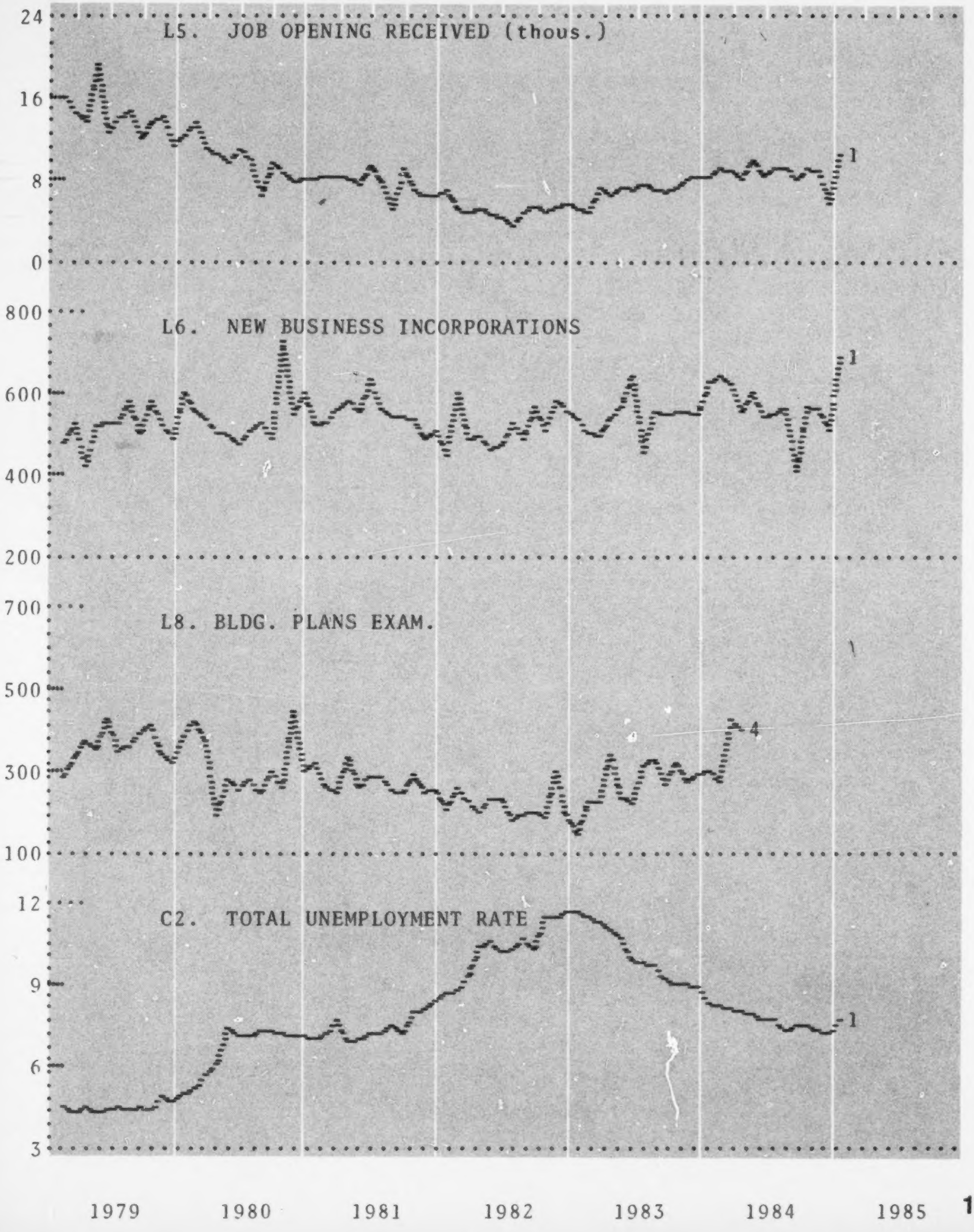
Section

D

CYCLICAL INDICATORS



CYCLICAL INDICATORS



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WISCONSIN EMPLOYMENT SUMMARY
Employment (Thousands of Workers, Annual Average)

	1983	1984	1985	1986	1987
MANUFACTURING-DURABLE	295.6	321.9	326.1	327.7	333.2
% CHANGE	-4.9	8.9	1.3	0.5	1.7
MANUFACTURING-NONDURABLE	188.6	196.1	198.9	199.6	201.0
% CHANGE	0.6	4.0	1.4	0.3	0.7
MINING	1.8	1.8	1.8	1.8	1.9
% CHANGE	-4.2	-4.5	1.9	3.1	1.3
CONSTRUCTION	57.4	58.6	60.8	63.2	63.6
% CHANGE	0.7	2.1	3.8	3.8	0.7
TRANS.,COMM.,UTILITIES	88.1	89.7	91.3	92.5	93.9
% CHANGE	-1.5	1.9	1.8	1.4	1.4
FINANCE,INSURANCE,REAL ESTATE	98.6	102.2	106.1	110.0	113.1
% CHANGE	2.9	3.7	3.8	3.7	2.8
TRADE	433.1	453.6	469.7	476.9	485.1
% CHANGE	1.0	4.7	3.5	1.5	1.7
SERVICES	388.6	403.8	418.0	429.2	440.4
% CHANGE	1.9	3.9	3.5	2.7	2.6
ALL GOVERNMENT	312.4	313.4	318.7	318.2	318.1
% CHANGE	-0.5	0.3	1.7	-0.2	0.0
TOTAL EMPLOYMENT (Nonfarm)	1864.2	1941.1	1991.4	2019.1	2050.2
% CHANGE	-0.1	4.1	2.6	1.4	1.5

5/2/85 S8750-1A

WISCONSIN ECONOMIC INDICATORS

MARCH 1985

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR FEBRUARY

LEADING INDICATORS OF ECONOMIC ACTIVITY POINTED DOWNWARD IN FEBRUARY. EMPLOYMENT DECREASED SIGHTLY, BUT UNEMPLOYMENT SLACKENED.

LEADING INDICATORS

The average workweek for manufacturing production workers decreased in February, a month in which the workweek usually increases slightly. A decrease in the number of hours worked per week indicates economic health only if coupled with an increase of manufacturing workers. That was not the situation in February.

Reduction in the average overtime hours contributed half of February's workweek decrease. Overtime averages normally remain about the same from January to February; or, increase only very slightly.

One hopeful indication in February was the decline in the average number of weekly initial claims for unemployment compensation. The weekly claims average decreased by nearly 2500, but mostly due to the normal seasonal pattern. Yet, even when adjusted for seasonal effects, the trend was down slightly.

Job openings received by public Job Service offices throughout the state decreased. Some decrease of job orders by employers is normal in February, but this month's drop is larger than usual for this time of year.

Less direct indicators of employment level change are indicators of business well-being. New business incorporations decreased in February at more than a seasonally normal pace.

The net gain in the number of business telephone access lines improved. The access line removals still outnumber installations in February, but by fewer numbers than a month ago or year ago.

Building plans examined by state officials increased slightly, foreshadowing an increase in construction activity. The increase is slight and about normal for this time of year. Commercial and industrial building plans must be approved for safety purposes.

WISCONSIN LABOR FORCE

Employment decreased very slightly in February. Yet, however slight, the decrease was contrary to the normal second-month growth trend.

An unemployment decrease, at the same time, more than offset the employment drop, resulting in a modest decrease of the unemployment rate. The unemployment level normally increases in February.

What the aggregate employment and unemployment levels produce is a labor force figure that shrank. And, the labor force usually grows in February.

The changes in this month's employment and unemployment were small. Thus, this month's scenario is not one of job-losers exiting the labor force. Rather, its likely that there were not enough job opportunities to prompt those outside the labor force to seek employment.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	72.6	Feb	75.2	72.7	-3.5	-0.1	58.0
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	40.6	Feb	41.0	41.4	-1.0	-1.9	40.7
Seasonally Adjusted		40.6		41.0	41.4	-1.0	-1.9	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.0	Feb	3.2	3.3	-6.2	-9.1	2.8
Seasonally Adjusted		3.1		3.3	3.4	-6.1	-8.8	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	12,569	Feb	15,068	10,839	-16.6	16.0	14,694
Seasonally Adjusted		11,993		12,035	10,374	-0.3	15.6	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	6,247	Feb	7,985	6,207	-21.8	0.6	7,099
Seasonally Adjusted		9,133		10,618	9,080	-14.0	0.6	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	496	Feb	631	551	-21.4	-10.0	544
Seasonally Adjusted		578		690	642	-16.2	-10.0	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	-9	Feb	-115	-115	92.2	92.2	892
Seasonally Adjusted		-886		888	267	-0.2	231.8	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	297	Feb	290	326	2.4	-8.9	275
Seasonally Adjusted		445		429	488	3.7	-8.8	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	56	Feb	56	51	0.0	9.8	38
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	8.0	Feb	8.2	9.1	–	–	10.4
Seasonally Adjusted		7.7		7.7	8.2	–	–	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	396.2	Dec	305.6	500.6	29.6	-20.9	247.9
Seasonally Adjusted		254.6		268.5	321.6	-5.2	-20.8	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	13,205	Feb	16,489	13,354	-19.9	-1.1	14,429
Seasonally Adjusted		17,407		22,762	17,599	-23.5	-1.1	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1905.6	Jan	1819.0	1851.8	4.8	2.9	1,765
Seasonally Adjusted		1892.4		1874.4	1838.1	1.0	3.0	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	103.3	Feb	93.1	163.4	11.0	-36.8	143.3
Seasonally Adjusted		73.6		83.6	116.4	-12.0	-36.8	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1983
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,804	Aug	4,788	4,384	0.3	9.6	4,449
Seasonally Adjusted		4,857		4,783	4,433	1.5	9.6	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	413.71	Feb	422.71	418.97	-2.1	-1.3	398.01
Seasonally Adjusted		410.02		419.77	415.28	-2.3	-1.3	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.9	Dec	494.0	430.8	-7.1	6.5	415.3
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	48.5	Feb	52.9	48.5	-8.3	0.0	55.0
Seasonally Adjusted		61.9		64.0	61.9	-3.3	0.0	
OTHER KEY INDICATORS								
XI BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,299	Feb	6,500	5,461	-18.5	-3.0	6,006
Seasonally Adjusted		5,429		6,024	5,597	-9.9	-3.0	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,645	Feb	4,339	3,346	-16.0	8.9	3,391
Seasonally Adjusted		3,546		3,425	3,255	3.5	8.9	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	1,654	Feb	2,161	2,115	-23.5	-21.8	2,615
Seasonally Adjusted		1,647		2,567	2,106	-35.8	-21.8	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,571	Feb	2,268	1,460	-30.7	7.6	3,340
Seasonally Adjusted		2,904		3,484	2,697	-16.4	7.7	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	324.6	Jan	(Nov) 324.3	314.0	0.1	3.4	309.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	144	Feb	146	145	-1.4	-0.7	142
Seasonally Adjusted		142		144	143	-1.4	-0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	1,964	Feb	2,815	-226	-30.2	969.0	872
Seasonally Adjusted		2,170		1,920	1,549	13.0	40.1	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	45	Feb	440	929	-89.8	-95.2	2,542
Seasonally Adjusted		88		1,005	1,824	-91.2	-95.2	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	503.0	Feb	510.4	504.1	-1.4	-0.2	486.0
Seasonally Adjusted		513.8		520.8	514.8	-1.3	-0.2	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES FEBRUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2355.1	2358.5	2356.6	-0.1	-0.1
Employment (Inc. Labor Disputes)	2165.9	2166.1	2141.7	-0.0	1.1
Unemployment	189.2	192.4	214.9	-1.7	-12.0
Unemployment Rate	8.0	8.2	9.1	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2426.0	2441.3	2442.7	-0.6	-0.7
Employment (Inc. Labor Disputes)	2238.8	2252.7	2242.0	-0.6	-1.4
Unemployment	187.2	188.6	200.7	-0.7	-6.7
Unemployment Rate	7.7	7.7	8.2	-	-

WISCONSIN EMPLOYMENT ESTIMATES FEBRUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1934.9	1937.4	1873.1	-0.1	3.3
Unadjusted					
Manufacturing	503.0	510.0	503.2	-1.4	-0.0
Mining	1.0	1.1	1.2	-9.0	-16.7
Contract Construction	48.5	52.9	48.5	-8.3	0.0
Transportation and Public Utilities	88.3	88.1	87.8	0.2	0.6
Elec., Gas and Sanitary Services	16.9	17.0	16.7	-0.6	1.2
Wholesale Trade	99.2	100.6	95.8	-1.4	3.5
Retail Trade	351.7	354.2	329.9	-0.7	6.6
General Merchandise	49.6	50.3	44.7	-1.4	11.0
Finance, Insurance and Real Estate	104.2	104.2	99.4	0.0	4.8
Banking	28.3	28.3	27.1	0.0	4.4
Insurance	33.1	33.1	32.3	0.0	2.5
Service and Miscellaneous	410.2	407.3	390.6	0.7	5.0
Hospitals	67.6	68.1	71.1	-0.7	-4.9
Private Education	25.8	24.7	24.4	4.5	5.7
Government	328.7	318.9	316.6	3.1	3.8
State Government	84.6	81.1	80.9	4.3	4.6
Local Government	217.5	211.4	209.3	2.9	3.9

UNITED STATES LABOR FORCE ESTIMATES FEBRUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	115,084	114,875	112,724	0.2	2.1
Employment	106,685	106,391	103,888	0.3	2.7
Unemployment	8,399	8,484	8,836	-1.0	-4.9
Unemployment Rate	7.3	7.4	7.8	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* FEBRUARY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	503.0	510.0	503.2
All Manufacturing (Excluding Canning)	496.6	503.6	496.9
Durable Goods	312.6	319.3	316.4
Lumber and Wood Prod., (Except Furniture)	20.2	20.4	20.2
Sawmills and Planning Mills	3.2	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.8	9.0	8.8
Furniture and Fixtures	11.3	11.3	9.7
Household Furniture	5.1	5.0	4.4
Stone, Clay and Glass Products	6.1	6.4	7.0
Concrete, Gypsum and Plaster Products	1.9	2.1	2.6
Primary Metal Industries	19.9	19.9	19.2
Iron and Steel Foundries	11.3	11.2	10.6
Fabricated Metal Products	49.9	50.2	50.6
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.9	4.9	5.6
Fabricated Structural Metal Products	11.5	11.7	11.3
Metal Stampings	12.6	12.6	12.8
Machinery (Except Electrical)	101.7	102.1	101.6
Engines and Turbines	20.4	20.7	22.4
Farm Machinery and Equipment	11.4	11.4	13.9
Const., Min. & Material Handling Mach. & Equip.	11.1	10.9	11.7
Metalworking Machinery and Equipment	12.0	12.1	10.7
Special Industry Machinery (Except Metalworking)	11.1	11.0	10.6
General Industrial Machinery and Equipment	15.5	15.7	14.1
Service Industry Machines	7.9	8.0	7.5
Electrical Machinery, Equipment and Supplies	51.1	51.9	51.9
Electrical Industrial Apparatus	18.5	18.2	18.3
Household Appliances	6.7	6.9	6.7
Transportation Equipment	31.4	36.0	35.9
Motor Vehicles and Equipment	24.4	29.1	28.9
Instruments and Related Products	10.9	10.9	10.4
Miscellaneous Manufacturing	10.2	10.2	9.7
Nondurable Goods	190.4	190.7	186.8
Food and Kindred Products	57.5	57.6	57.6
Meat Products	13.8	14.0	13.7
Dairy Products	17.7	17.5	17.0
Canning and Preserving	6.5	6.5	6.3
Bakery Products	3.7	3.8	4.3
Beverage Industries	8.3	8.1	9.0
Textile Mill Products	4.5	4.5	4.2
Knitting Mills	3.8	3.8	3.4
Apparel and Other Finished Products	6.5	6.3	6.5
Paper and Allied Products	46.2	46.5	45.8
Pulp and Paper Mills	28.8	29.1	28.3
Converted Paper and Paperboard Products	9.4	9.3	9.3
Paperboard Containers and Boxes	6.9	7.1	6.9
Printing, Publishing and Allied Industries	37.0	37.1	34.9
Newspapers	11.6	11.7	10.9
Commercial Printing	15.3	15.4	14.5
Chemicals and Allied Products	9.8	9.8	9.6
Rubber and Misc. Plastics Products	21.0	21.0	19.8
Miscellaneous Plastics Products	16.8	16.6	15.5
Leather and Leather Products	7.5	7.6	8.2
Leather Tanning and Finishing	1.9	1.8	2.2
Footwear (Except Rubber)	3.9	4.1	4.3
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* FEBRUARY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$414	$423	$419	40.6	41.0	41.4
All Manufacturing (Excl. Canning)	415	424	420	40.6	41.0	41.4
Durable Goods	425	439	430	40.6	41.3	41.7
Lumber/Wood Prod. (Exc. Furn.)	306	303	303	40.4	40.2	40.9
Furniture and Fixtures	300	306	315	40.7	41.0	42.0
Stone, Clay and Glass Products	386	377	390	41.4	40.8	42.6
Primary Metal Industries	401	400	408	40.7	40.9	42.2
Iron and Steel Foundries	406	406	421	40.5	40.6	42.6
Fabricated Metal Products	416	413	409	40.5	40.5	40.8
Fab. Structural Metal Prod.	430	438	410	41.9	42.7	42.0
Metal Stampings	393	397	381	38.6	39.3	39.2
Machinery (Except Electrical)	473	494	498	41.1	42.0	42.7
Engines and Turbines	502	590	570	40.3	43.7	44.2
Farm Machinery and Equip.	500	503	529	40.5	41.0	41.8
Const. and Related Mach.	470	467	489	40.2	40.2	41.3
Metalworking Mach. and Equip.	499	504	479	41.8	43.0	42.0
Spec. Ind. Mach. (Exc. Metal) .	479	486	509	43.3	43.0	46.6
Gen. Industrial Mach. and Equip.	508	507	481	41.9	41.9	41.4
Electrical Mach., Equip. and Supp.	394	396	390	39.8	40.5	41.1
Electrical Industrial Apparatus	415	423	415	40.4	40.8	40.8
Transportation Equipment	568	602	543	41.3	43.0	42.2
Instruments and Related Prod.	339	345	331	38.6	39.7	39.7
Nondurable Goods	395	396	397	40.5	40.5	40.7
Food and Kindred Products	370	369	381	39.4	39.1	38.9
Meat Products	328	323	388	38.7	38.0	38.7
Dairy Products	377	375	365	40.3	40.0	39.3
Textile Mill Products	283	299	277	39.5	40.2	38.7
Apparel and Other Fin. Prod.	235	239	218	38.6	38.0	36.5
Paper and Allied Products	513	516	490	45.0	45.3	44.9
Pulp and Paper Mills	558	559	528	46.5	46.8	46.2
Printing, Pub. and Allied Prod.	402	407	439	37.5	37.9	39.6
Chemicals and Allied Products	469	452	456	42.6	41.5	43.9
Rubber and Misc. Plastics Prod.	317	318	324	39.4	39.6	40.0
Leather and Leather Products.	252	258	255	38.3	38.4	38.5

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* FEBRUARY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.19	10.31	10.12	9.83	9.88	9.72
All Manufacturing (Excl. Canning)	10.22	10.34	10.15	9.86	9.91	9.75
Durable Goods	10.46	10.62	10.32	10.13	10.19	9.94
Lumber/Wood Prod. (Exc. Furn.)	7.58	7.54	7.41	7.49	7.46	7.35
Furniture and Fixtures	7.36	7.47	7.49	7.29	7.35	7.31
Stone, Clay and Glass Products	9.32	9.24	9.16	9.17	9.10	8.79
Primary Metal Industries	9.85	9.78	9.66	9.52	9.45	9.28
Iron and Steel Foundries	10.02	10.02	9.88	9.75	9.74	9.50
Fabricated Metal Products	10.28	10.19	10.03	9.85	9.77	9.60
Fab. Structural Metal Prod.	10.26	10.25	9.77	9.83	9.81	9.42
Metal Stampings	10.18	10.14	9.71	9.98	9.96	9.52
Machinery (Except Electrical)	11.50	11.76	11.66	11.18	11.25	11.19
Engines and Turbines	12.45	13.50	12.89	12.17	12.58	12.04
Farm Machinery and Equip.	12.34	12.27	12.66	11.97	11.90	12.33
Const. and Related Mach.	11.68	11.61	11.84	11.50	11.45	11.70
Metalworking Mach. and Equip.	11.93	11.71	11.40	11.42	11.29	11.05
Spec. Ind. Mach. (Exc. Metal) .	11.06	11.31	10.92	10.52	10.71	10.54
Gen. Industrial Mach. and Equip.	12.12	12.09	11.63	11.76	11.77	11.21
Electrical Mach., Equip. and Supp.	9.91	9.79	9.48	9.73	9.65	9.23
Electrical Industrial Apparatus	10.27	10.37	10.17	10.21	10.33	9.98
Transportation Equipment	13.75	14.00	12.87	13.09	13.20	12.38
Instruments and Related Prod.	8.78	8.70	8.33	8.65	8.59	8.10
Nondurable Goods	9.75	9.78	9.76	9.32	9.34	9.33
Food and Kindred Products	9.40	9.43	9.79	8.98	9.01	9.40
Meat Products	8.47	8.50	10.03	8.11	8.17	9.71
Dairy Products	9.36	9.38	9.30	8.93	8.99	9.00
Textile Mill Products	7.16	7.44	7.16	6.95	7.20	7.02
Apparel and Other Fin. Prod.	6.10	6.28	5.98	5.99	6.20	5.82
Paper and Allied Products	11.41	11.39	10.91	10.90	10.84	10.41
Pulp and Paper Mills	12.01	11.95	11.42	11.48	11.37	10.89
Printing, Pub. and Allied Prod.	10.71	10.73	11.09	10.29	10.28	-
Chemicals and Allied Products	11.02	10.89	10.38	10.61	10.59	9.97
Rubber and Misc. Plastics Prod.	8.05	8.04	8.09	7.79	7.78	7.78
Leather and Leather Products.	6.57	6.72	6.63	6.50	6.65	6.50

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* FEBRUARY	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$374	$380	$369	39.7	40.3	40.7	9.42	9.42	9.05	–	–
Wisconsin	414	423	419	40.6	41.0	41.4	10.19	10.31	10.12	9.83	9.88
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	415	426	409	41.6	42.5	42.3	9.97	10.03	9.67	9.56	9.53
Beloit (City)	357	357	426	38.6	38.6	44.9	9.25	9.26	9.48	–	–
Eau Claire (Eau Claire-Chippewa)	425	413	394	42.0	41.4	39.7	10.11	9.97	9.92	9.54	9.52
Fond du Lac (County)	391	391	375	42.8	42.3	41.4	9.14	9.25	9.06	8.88	8.93
Green Bay (Brown County)	447	448	442	40.9	41.0	41.3	10.92	10.92	10.69	10.32	10.29
Janesville (City)	546	642	512	40.2	45.4	40.0	13.58	14.15	12.82	12.97	13.02
Janesville-Beloit (Rock County)	469	529	461	39.4	42.7	41.3	11.90	12.38	11.17	11.26	11.23
Kenosha (County)	454	489	487	38.9	39.2	41.4	11.66	12.48	11.77	11.36	12.23
La Crosse (County)	340	341	342	38.3	38.7	38.9	8.89	8.80	8.79	8.54	8.51
Madison (Dane County)	377	396	373	40.0	41.8	39.4	9.42	9.48	9.47	9.05	9.00
Manitowoc (County)	363	365	343	38.6	39.1	39.2	9.40	9.33	8.76	9.24	9.13
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	466	477	469	40.8	41.3	41.7	11.42	11.54	11.25	10.96	10.99
Racine (County)	402	402	430	39.0	38.9	41.8	10.31	10.34	10.29	10.02	10.05
Sheboygan (County)	394	392	375	39.8	39.5	39.8	9.91	9.92	9.43	9.55	9.58
Wausau (Marathon County)	388	398	376	40.9	42.2	41.1	9.48	9.44	9.15	9.23	9.19

EMPLOYMENT, MFG. *(Unadjusted)* FEBRUARY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,529.0	19,574.0	19,181.0	-0.2	1.8
Wisconsin	503.0	510.0	503.2	-1.4	-0.0
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	45.6	46.2	45.2	-1.3	0.9
Beloit (City)	5.6	5.7	5.9	-1.8	-5.1
Eau Claire (Eau Claire-Chippewa)	9.2	9.0	8.7	2.2	5.7
Fond du Lac (County)	10.3	10.4	10.2	-1.0	1.0
Green Bay (Brown County)	22.2	22.3	21.8	-0.4	1.8
Janesville (City)	10.8	10.9	10.6	-0.9	1.9
Janesville-Beloit (Rock County)	18.5	18.8	18.5	-1.6	0.0
Kenosha (County)	10.7	15.3	16.0	-30.1	-33.1
La Crosse (County)	10.8	10.9	10.2	-0.9	5.9
Madison (Dane County)	20.4	20.7	19.3	-1.4	5.7
Manitowoc (County)	10.7	10.7	11.5	0.0	-7.0
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	172.1	173.4	173.6	-0.7	-0.9
Racine (County)	24.3	24.1	25.8	0.8	-5.8
Sheboygan (County)	18.7	19.0	18.2	-1.6	2.7
Wausau (Marathon County)	10.7	10.7	10.9	0.0	-1.8

WAGE SURVEY AIDS ECONOMIC RESEARCH

by Joseph Tumpach Jr. and Bill Beutel

What is used as evidence by comparable worth-for-women advocates, eagerly sought by employers, and read all over? A wage survey. And, Wisconsin's Department of Industry, Labor and Human Relations has just completed a survey of wages for over 400 occupations throughout the state.

In itself, the wage survey is a welcome document. Wage rates for occupations, it seems, are the information that employers most often request from labor market analysts. Employers need to know a competitive wage offer when bidding for help in the labor market; need to know a reasonable wage rate when negotiating a contract with a labor union.

In conjunction with other data, the wage survey becomes a powerful research tool. Concentration of women in low-wage occupations ranks high in priority of research possibilities. Question: X percent of working women are employed in only X number of occupations, and those are low-wage occupations - true or false? The question is currently one of keen interest.

But, the wage survey did not distinguish between male and female employees. By using 1980 Census data, labor market analysts determined the extent of both men's and women's concentration within a limited number of occupational categories. By stratifying occupations according to the men and women employed, analysts culled the largest-employment occupations for men and women, noted the concentration of men and women in those occupations, and compared the wages of the predominantly women's occupations to the wages of men's.

How valid is a merger of 1980 Census employment data and a 1985 wage survey? Each document is a snapshot of a situation at two different times - five years apart. If the occupational pattern of total employment changes slowly, or very little, the census data is useful for ranking occupations.

Analysts checked national employment figures from the 1980 Census and also from the 1983 Current Population Survey. They noted the specific occupations on each source, checked each occupation's portion of total employment, looked at the concentration of women employed in the occupations during each year, and concluded that occupational structure changed very slowly during that time. The analysts, therefore, assumed that the state's occupational structure represented on the wage survey is similar to the Wisconsin 1980 Census employment pattern.

The analysts did not group or cluster the occupational categories, except for three areas. They added elementary to secondary school teachers, they totaled several sales worker categories which the census separates according to the commodity sold, and they considered cashiers and counter clerks similar enough to add together as one group.

To determine the concentration of women within an occupation, the analysts found those with at least 11,000 women employed and also within which at least 60% of the employed were women. The same methodology determined men's occupational concentration.

The wage survey included only private employers, no governmental units. So, analysts obtained an average teacher's salary from the state's Department of Public Instruction. And, farmers are not included though they do rank in the top employment categories for both men and women.

On the 1980 Census, workers placed themselves in various occupations. As a result, a large amount of employment shows up in various "not elsewhere classified" categories which have no counterpart on the wage survey.

What are the results? Women are concentrated in 14 occupational categories. In 1980, these 14 categories compose 45 percent of total women's employment throughout the state. However, men, too, are concentrated in occupations, though somewhat less than women. Nineteen occupations contain about 38 percent of employed men. And, there are wage differences. While some attribute lower pay in "women's jobs" to economic discrimination, others cite other factors such as more overtime hours worked by men.

TOP FEMALE OCCUPATIONS IN WISCONSIN AND AVERAGE WAGE
(Occupations with at least 11,000 employed women and
in which women compose at least 60% of total employment)

Occupation ranked by Employment	% Women in Occupation	Average Wage
1. Secretary	99.0%	$ 4.99/hr.
2. School Teachers, Elementary and Secondary	66.5	$24,581/yr.
3. Sales Workers	62.2	$ 4.53/hr.
4. Bookkeepers (Accounting and Auditing)	90.8	$ 6.67/hr.
5. Waitresses	96.1	$ 3.50/hr.,excl.tips
6. Nursing Aides	91.5	$ 5.24/hr.
7. Cashiers, sales and and Counter Clerks	87.8	$ 3.96/hr.
8. General Office Clerks	86.5	$ 5.91/hr.
9. Registered Nurses	96.4	$10.52/hr.
10. Cooks, excl. short-order	64.2	$ 4.63/hr.
11. Typist	97.9	$ 5.87/hr.
12. Hand Packers & Packagers	69.9	$ 6.50/hr.
13. Child Care Workers	90.8	$ 4.41/hr.
14. Receptionist	97.0	$ 5.32/hr.

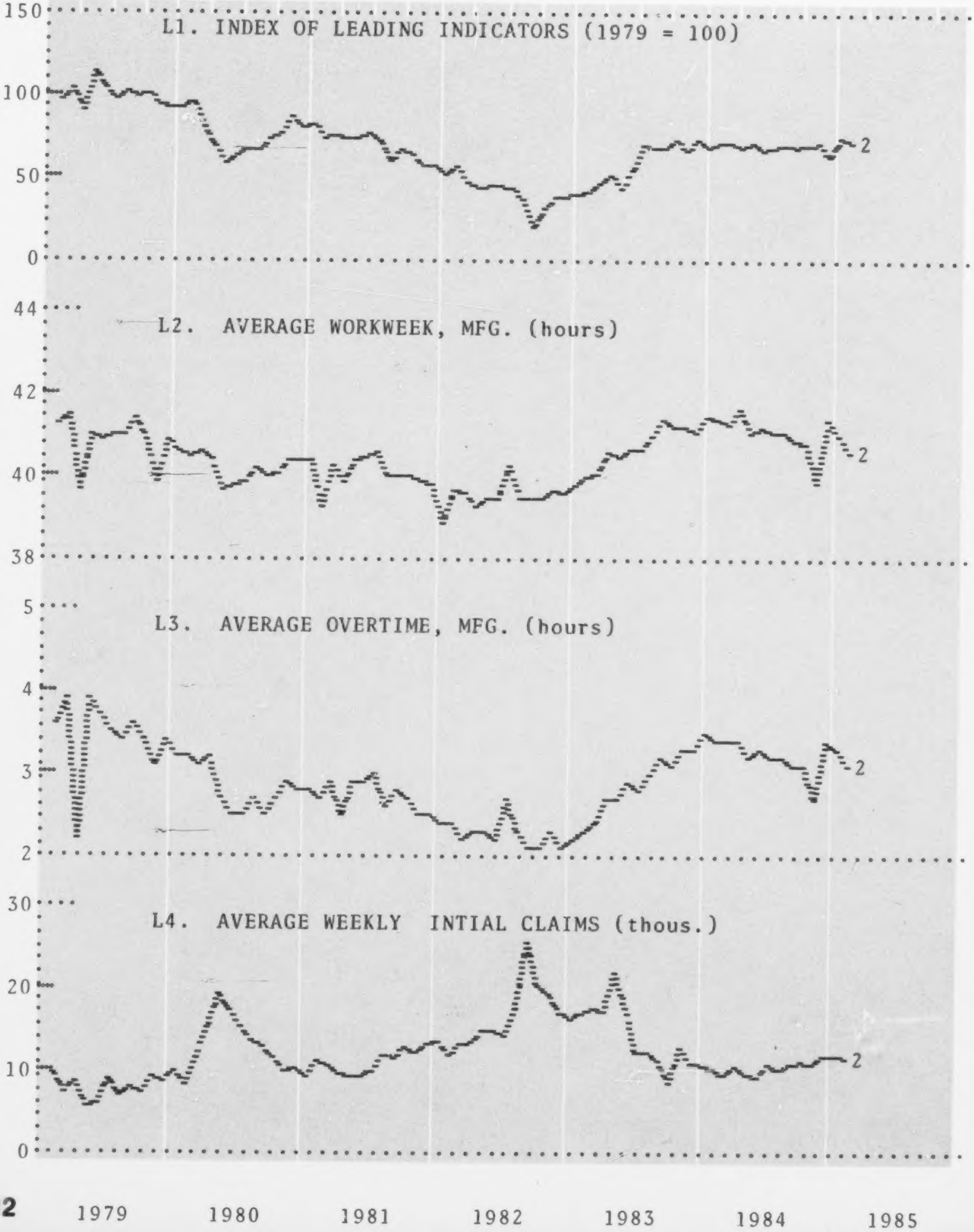
TOP MALE OCCUPATIONS IN WISCONSIN AND AVERAGE WAGE

(Occupations with at least 11,000 employed men, and in which men compose at least 60% of total employment)

Occupations ranked by Employment	% Men in Occupation	Average Wage
1. Administrators & Mgrs., Not elsewhere classified	76.8%	N.A.
2. Truck Drivers, Heavy	98.1	$ 9.54/hr.
3. Machine Operators, misc. or not specified	74.6	N.A.
4. Janitors & Cleaners	73.3	$ 6.08/hr.
5. Supervisors, Production	88.1	N.A.
6. Carpenters	98.6	$11.28/hr.
7. Laborers, excl. construction	77.2	N.A.
8. Farm Workers	67.5	N.A.
9. Welders & Cutters	92.8	$11.00/hr.
10. Sales Representatives	87.8	$10.55/hr.
11. Automobile Mechanics	98.8	$ 9.02/hr.
12. Manager, Sales	70.9	$ 9.10/hr.
13. General Machinists	95.4	$ 9.43/hr.
14. Superintendent, Const.	99.2	$15.07/hr.
15. Construction Worker	97.5	$11.06/hr.
16. Industrial Truck Operators	94.5	$ 9.64/hr.
17. Electricians	98.1	$14.33/hr.
18. Maintenance Mechanic	97.0	$ 9.86/hr.
19. Accountants and Auditors	63.4	$10.93/hr.

Section

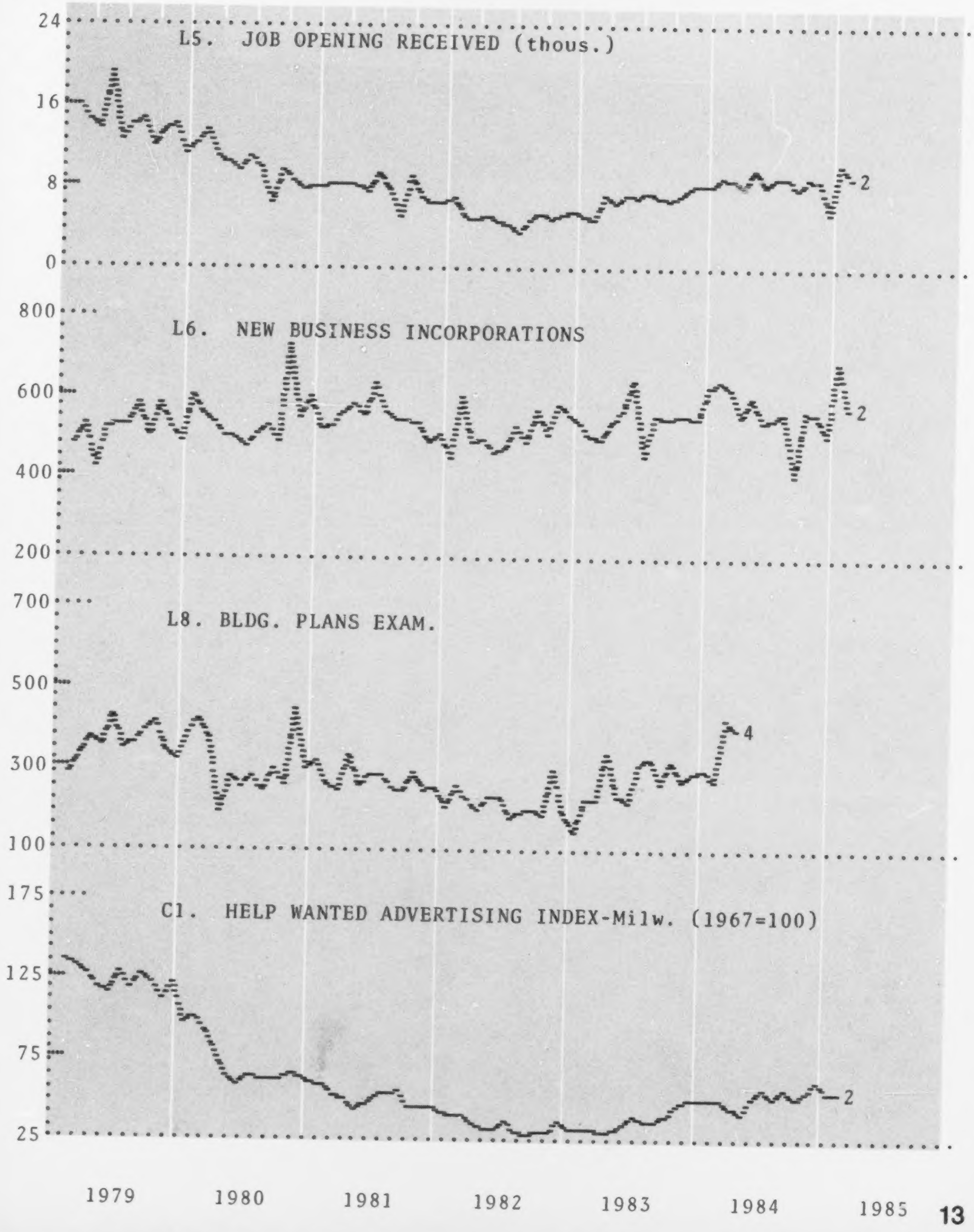
D CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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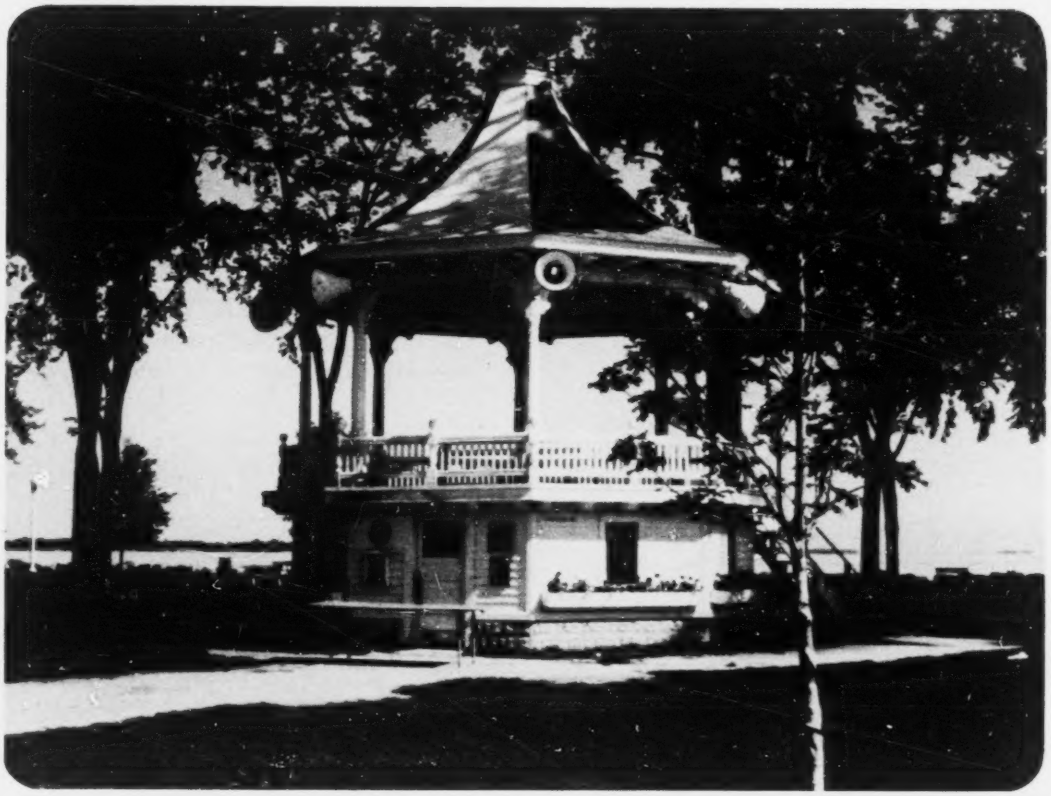
WISCONSIN ECONOMIC INDICATORS

APRIL 1985



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR MARCH

LEADING INDICATORS SIGNALING CONTINUED ECONOMIC PROGRESS OUTNUMBER THOSE POINTING DOWN IN MARCH. UNEMPLOYMENT DECREASED SIGNIFICANTLY, BUT LABOR FORCE GROWTH WAS ANEMIC.

LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries are spending more time on the job. The average workweek in manufacturing rose, in March, to 40.8 hours.

The average workweek usually decreases in March, so the trend is up. However, February's workweek length was sub-par. And, March's average workweek is below the year-ago level.

A positive aspect of the longer workweek is that it was coupled with a higher level of manufacturing employment in March, an indication of increased production levels.

The average number of overtime hours worked per week remained the same in March as in the month earlier. Overtime normally decreases in the third month, so this month's level is a positive indicator.

Initial claims for unemployment compensation decreased in March. The average weekly claims number edged down at a slightly more than normal pace. However, the initial claims level in the beginning of this year is higher than the first three months of 1984. The usual seasonal pattern in the initial claims average is a decrease in spring and summer, followed by increases in fall.

The total number of job openings received by Job Service offices throughout the state increased in March. The increase, however, was at a less than seasonally normal pace.

The number of new business incorporations grew in March, but the growth was not large. The February-to-March period usually has a large increase in the number of new business incorporations, so this month's growth is off the pace.

Both the gain in business telephone access lines and the number of building plans examined increased in March at above their normal seasonal pace.

WISCONSIN LABOR FORCE

Employment is up by nearly 11-thousand this month, but that is less than the usual February-to-March rise. Thus, the trend is down.

Unemployment decreased by 8300, and that is much more than the usual decrease for March. Most of the employment gain came from a reduction in the number of unemployed.

The lower unemployment level caused a decrease in the unemployment rate. While the rate typically does decrease in March, it decreased, this month, from an atypical cause.

More usual is a rate decrease resulting from larger labor force growth along with a larger employment gain, but with less unemployment shrinkage. This month's labor force growth was meager, allowing the unemployment-to-employment movement.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	75.9	Mar	72.6	72.3	4.5	5.0	70.1
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	40.8	Mar	40.6	41.2	0.5	-1.0	41.1
Seasonally Adjusted		40.9		40.6	41.3	0.7	-1.0	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.0	Mar	3.0	3.2	0.0	-6.2	3.2
Seasonally Adjusted		3.2		3.1	3.4	3.2	-5.9	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	11,516	Mar	12,569	9,515	-8.4	21.0	10,817
Seasonally Adjusted		11,799		11,993	9,749	-1.6	21.0	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	7,480	Mar	6,247	7,841	19.7	-4.6	8,694
Seasonally Adjusted		8,471		9,133	8,885	-7.2	-4.7	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	528	Mar	496	673	6.5	-21.5	562
Seasonally Adjusted		488		578	622	-15.6	-21.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	2,085	Mar	-9	-77	23,270	2807.8	328
Seasonally Adjusted		1,008		886	15	13.8	6620.0	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	399	Mar	297	416	34.3	-4.1	487
Seasonally Adjusted		507		445	529	13.9	-4.2	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	54	Mar	56	50	-3.6	8.0	52
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	7.7	Mar	8.1	8.7	–	–	7.4
Seasonally Adjusted		7.6		7.8	8.1	–	–	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	419.6	Feb	503.0	352.5	-16.6	19.0	252.5
Seasonally Adjusted		272.6		266.0	229.1	2.5	19.0	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	14,766	Mar	13,205	15,021	11.8	-1.7	16,066
Seasonally Adjusted		13,655		17,407	13,886	-21.6	-1.7	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1789.3	Feb	1905.6	1749.5	-6.1	2.3	1865.8
Seasonally Adjusted		1875.6		1892.4	1834.6	-0.9	2.2	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	121.8	Mar	103.3	74.4	17.9	63.7	89.4
Seasonally Adjusted		153.4		73.6	93.7	108.4	63.7	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.	THOUS.						
Unadjusted		503.9 Mar	502.3	508.2	0.3	-0.8	518.3
Seasonally Adjusted		513.7	513.1	517.9	0.1	-0.8	
C8 AVG. WEEKLY EARNINGS, MFG.	DOLLARS						
Unadjusted		416.16 Mar	413.31	416.94	0.7	-0.2	412.46
Seasonally Adjusted		415.33	409.62	415.99	1.4	-0.2	
C9 CASH RECEIPTS FROM FARM MKTG.	MIL. DOL.						
Unadjusted		458.9 Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5	443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.	THOUS.						
Unadjusted		49.2 Mar	48.5	49.6	1.4	-0.8	58.3
Seasonally Adjusted		61.0	61.9	61.5	-1.5	-0.8	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS	NUMBER						
Unadjusted		5,769 Mar	5,299	5,862	8.9	-1.6	6,101
Seasonally Adjusted		5,792	5,429	5,886	6.7	-1.6	
X2 DEATH REGISTRATIONS	NUMBER						
Unadjusted		3,537 Mar	3,645	3,304	-3.0	7.1	3,438
Seasonally Adjusted		3,474	3,546	3,247	-2.0	7.0	
X3 NATURAL NET GAIN POPULATION	NUMBER						
Unadjusted		2,233 Mar	1,654	2,558	34.9	-12.7	2,663
Seasonally Adjusted		2,397	1,647	2,748	45.5	-12.8	
X4 MARRIAGE REGISTRATIONS	NUMBER						
Unadjusted		1,640 Mar	1,571	1,693	4.4	-3.1	3,420
Seasonally Adjusted		2,852	2,904	2,946	-1.8	-3.2	
X5 CONSUMER PRICE INDEX (MILW.)	INDEX						
Unadjusted		327.8 Mar	(Jan) 324.6	316.8	1.0	3.5	320.6
X6 PRICES RECEIVED BY FARMERS	INDEX						
Unadjusted		141 Mar	142	145	-0.7	-2.8	144
Seasonally Adjusted		140	140	144	0.0	-2.8	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES	NUMBER						
Unadjusted		3,599 Mar	1,964	1,038	83.2	246.7	750
Seasonally Adjusted		2,177	2,170	838	0.3	159.8	
X8 LABOR DISPUTES, NO. OF WORKERS	NUMBER						
Unadjusted		45 Mar	45	329	0.0	-86.3	520
Seasonally Adjusted		65	88	476	-26.1	-86.3	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER						
Unadjusted		25,762 Mar	25,020	29,595	3.0	-13.0	28,186
Seasonally Adjusted		25,482	27,127	29,276	-6.1	-13.0	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
MARCH	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2358.3	2355.8	2359.6	0.1	-0.1
Employment (Inc. Labor Disputes)	2175.7	2164.9	2155.5	0.5	0.9
Unemployment	182.6	190.9	204.1	-4.3	-10.5
Unemployment Rate	7.7	8.1	8.7	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2414.9	2426.1	2443.6	-0.5	-1.2
Employment (Inc. Labor Disputes)	2230.5	2237.8	2246.4	-0.3	-0.7
Unemployment	184.4	188.3	197.2	-2.1	-6.5
Unemployment Rate	7.6	7.8	8.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
MARCH	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1940.8	1933.8	1887.8	0.4	2.8
Unadjusted					
Manufacturing	503.9	502.3	507.9	0.3	-0.8
Mining	1.1	1.0	1.3	10.0	-15.4
Contract Construction	49.2	48.5	49.6	1.4	-0.8
Transportation and Public Utilities	89.0	88.4	88.9	0.7	0.1
Elec., Gas and Sanitary Services	17.0	17.0	16.7	0.0	1.8
Wholesale Trade	99.6	99.4	96.7	0.2	3.0
Retail Trade	353.8	351.5	333.5	0.7	6.1
General Merchandise	48.0	48.4	45.0	-0.8	6.7
Finance, Insurance and Real Estate	104.7	104.2	99.9	0.5	4.8
Banking	28.4	28.3	27.1	0.4	4.8
Insurance	33.3	33.1	32.4	0.6	2.8
Service and Miscellaneous	411.0	410.0	392.5	0.2	4.7
Hospitals	67.6	67.6	70.7	0.0	-4.4
Private Education	26.0	26.0	24.3	0.0	7.0
Government	328.5	328.5	317.4	0.0	3.5
State Government	85.2	84.6	80.9	0.7	5.3
Local Government	216.6	217.3	210.1	-0.3	3.1

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
MARCH	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	115,514	115,084	112,906	0.4	2.3
Employment	107,119	106,685	104,123	0.4	2.9
Unemployment	8,396	8,399	8,783	-0.0	-4.4
Unemployment Rate	7.3	7.3	7.8	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* MARCH	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	503.9	502.3	507.9
All Manufacturing (Excluding Canning)	497.3	495.9	501.5
Durable Goods	313.6	312.4	319.0
Lumber and Wood Prod., (Except Furniture)	20.4	20.2	20.8
Sawmills and Planning Mills	3.2	3.2	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	8.9	8.7	9.3
Furniture and Fixtures	11.3	11.3	9.8
Household Furniture	5.2	5.1	4.5
Stone, Clay and Glass Products	6.3	6.1	7.2
Concrete, Gypsum and Plaster Products	2.0	1.9	2.7
Primary Metal Industries	19.9	19.9	19.4
Iron and Steel Foundries	11.2	11.3	10.8
Fabricated Metal Products	49.5	49.4	50.9
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.9	4.9	5.5
Fabricated Structural Metal Products	11.5	11.3	11.3
Metal Stampings	12.3	12.5	12.9
Machinery (Except Electrical)	103.1	101.7	101.7
Engines and Turbines	20.0	20.4	22.3
Farm Machinery and Equipment	12.8	11.5	13.8
Const., Min. & Material Handling Mach. & Equip.	11.2	11.0	11.5
Metalworking Machinery and Equipment	12.1	12.0	10.9
Special Industry Machinery (Except Metalworking)	11.1	11.1	10.5
General Industrial Machinery and Equipment	15.5	15.5	14.2
Service Industry Machines	7.8	7.9	7.6
Electrical Machinery, Equipment and Supplies	50.8	51.3	52.4
Electrical Industrial Apparatus	18.2	18.4	18.3
Household Appliances	6.6	6.7	7.0
Transportation Equipment	31.2	31.5	36.5
Motor Vehicles and Equipment	24.3	24.4	29.3
Instruments and Related Products	10.6	10.9	10.5
Miscellaneous Manufacturing	10.3	10.1	9.8
Nondurable Goods	190.3	190.0	188.9
Food and Kindred Products	57.7	57.3	57.6
Meat Products	13.8	13.7	13.6
Dairy Products	17.8	17.7	17.0
Canning and Preserving	6.6	6.5	6.4
Bakery Products	3.8	3.7	4.3
Beverage Industries	8.3	8.2	9.0
Textile Mill Products	4.7	4.6	4.3
Knitting Mills	3.9	3.8	3.6
Apparel and Other Finished Products	6.2	6.5	6.4
Paper and Allied Products	46.3	46.1	46.7
Pulp and Paper Mills	28.9	28.7	29.1
Converted Paper and Paperboard Products	9.4	9.4	9.4
Paperboard Containers and Boxes	6.9	6.9	7.0
Printing, Publishing and Allied Industries	37.0	37.0	35.7
Newspapers	11.7	11.7	11.1
Commercial Printing	15.3	15.3	15.0
Chemicals and Allied Products	9.8	9.8	9.6
Rubber and Misc. Plastics Products	20.9	21.0	20.0
Miscellaneous Plastics Products	16.7	16.7	15.7
Leather and Leather Products	7.4	7.3	8.2
Leather Tanning and Finishing	1.9	1.9	2.2
Footwear (Except Rubber)	3.8	3.8	4.2
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MARCH	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$416	$413	$417	40.8	40.6	41.2
All Manufacturing (Excl. Canning)	417	415	419	40.8	40.6	41.3
Durable Goods	427	424	427	40.9	40.6	41.4
Lumber/Wood Prod. (Exc. Furn.)	312	306	306	41.2	40.2	41.1
Furniture and Fixtures	300	295	314	41.5	40.9	42.1
Stone, Clay and Glass Products	389	386	382	41.6	41.4	41.5
Primary Metal Industries	412	401	404	41.5	40.7	42.0
Iron and Steel Foundries	410	404	417	40.7	40.3	42.2
Fabricated Metal Products	402	410	410	39.7	40.2	40.6
Fab. Structural Metal Prod.	418	414	413	41.7	41.4	42.1
Metal Stampings	385	395	382	37.9	38.8	38.9
Machinery (Except Electrical)	480	472	494	41.5	41.0	42.3
Engines and Turbines	516	502	516	41.2	40.3	43.0
Farm Machinery and Equip.	511	497	533	40.6	40.2	42.1
Const. and Related Mach.	474	471	494	40.6	40.3	41.3
Metalworking Mach. and Equip.	515	500	476	42.9	41.8	41.4
Spec. Ind. Mach. (Exc. Metal) .	492	477	507	43.5	43.1	46.5
Gen. Industrial Mach. and Equip.	494	506	487	41.1	41.8	41.7
Electrical Mach., Equip. and Supp.	399	396	389	40.2	40.1	40.9
Electrical Industrial Apparatus	418	415	424	40.5	40.5	41.5
Transportation Equipment	567	563	534	41.3	41.1	41.4
Instruments and Related Prod.	341	341	311	38.8	38.8	38.2
Nondurable Goods	396	396	400	40.5	40.6	40.9
Food and Kindred Products	372	371	379	39.5	39.6	39.2
Meat Products	326	327	377	38.3	38.6	39.7
Dairy Products	385	378	361	41.0	40.5	39.2
Textile Mill Products	291	284	281	40.8	39.9	40.5
Apparel and Other Fin. Prod.	235	236	226	37.9	38.7	37.8
Paper and Allied Products	512	516	489	44.8	45.1	44.7
Pulp and Paper Mills	555	564	528	46.1	46.7	46.0
Printing, Pub. and Allied Prod.	408	401	459	38.0	37.5	40.3
Chemicals and Allied Products	459	471	448	41.8	42.7	42.3
Rubber and Misc. Plastics Prod.	318	317	323	39.2	39.3	40.2
Leather and Leather Products.	253	252	257	38.5	38.4	38.4

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MARCH	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.20	10.18	10.12	9.85	9.82	9.73
All Manufacturing (Excl. Canning)	10.23	10.21	10.15	9.88	9.85	9.76
Durable Goods	10.45	10.44	10.32	10.14	10.11	9.95
Lumber/Wood Prod. (Exc. Furn.)	7.58	7.62	7.44	7.50	7.56	7.40
Furniture and Fixtures	7.23	7.22	7.45	7.08	7.08	7.28
Stone, Clay and Glass Products	9.36	9.32	9.20	9.18	9.17	8.90
Primary Metal Industries	9.92	9.85	9.61	9.59	9.52	9.22
Iron and Steel Foundries	10.08	10.02	9.89	9.80	9.75	9.50
Fabricated Metal Products	10.13	10.20	10.09	9.74	9.78	9.60
Fab. Structural Metal Prod.	10.03	10.01	9.82	9.61	9.56	9.44
Metal Stampings	10.17	10.19	9.82	9.98	9.99	9.64
Machinery (Except Electrical)	11.57	11.50	11.67	11.26	11.18	11.23
Engines and Turbines	12.52	12.45	12.83	12.21	12.18	12.08
Farm Machinery and Equip.	12.59	12.37	12.67	12.31	12.04	12.33
Const. and Related Mach.	11.68	11.68	11.97	11.49	11.50	11.80
Metalworking Mach. and Equip.	12.00	11.97	11.49	11.47	11.45	11.15
Spec. Ind. Mach. (Exc. Metal) .	11.30	11.06	10.91	10.73	10.53	10.49
Gen. Industrial Mach. and Equip.	12.03	12.10	11.69	11.76	11.75	11.28
Electrical Mach., Equip. and Supp.	9.92	9.88	9.52	9.70	9.66	9.30
Electrical Industrial Apparatus	10.31	10.25	10.22	10.16	10.11	9.95
Transportation Equipment	13.72	13.71	12.90	13.17	13.11	12.43
Instruments and Related Prod.	8.79	8.80	8.15	8.68	8.66	8.14
Nondurable Goods	9.77	9.75	9.77	9.34	9.32	9.32
Food and Kindred Products	9.42	9.36	9.67	9.00	8.94	9.30
Meat Products	8.50	8.46	9.75	8.20	8.11	9.53
Dairy Products	9.39	9.34	9.22	8.94	8.91	8.93
Textile Mill Products	7.12	7.13	6.94	6.88	6.91	6.75
Apparel and Other Fin. Prod.	6.20	6.10	5.99	6.09	5.99	5.88
Paper and Allied Products	11.42	11.45	10.93	10.94	10.93	10.40
Pulp and Paper Mills	12.04	12.08	11.48	11.55	11.54	10.90
Printing, Pub. and Allied Prod.	10.73	10.70	11.38	10.24	10.28	-
Chemicals and Allied Products	10.98	11.04	10.59	10.63	10.63	10.22
Rubber and Misc. Plastics Prod.	8.12	8.06	8.03	7.85	7.80	7.74
Leather and Leather Products.	6.57	6.57	6.68	6.44	6.48	6.56

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* MARCH	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$380	$374	$370	40.3	39.7	40.7	9.44	9.42	9.09	–	–
Wisconsin	416	413	417	40.8	40.6	41.2	10.20	10.18	10.12	9.85	9.82
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	417	416	410	41.5	41.7	42.1	10.06	9.97	9.74	9.67	9.55
Beloit (City)	370	357	410	39.0	38.6	43.2	9.49	9.25	9.49	–	–
Eau Claire (Eau Claire-Chippewa)	423	429	407	41.7	42.2	41.5	10.15	10.17	9.80	9.68	9.59
Fond du Lac (County)	380	391	366	41.9	42.8	40.4	9.08	9.14	9.07	8.81	8.88
Green Bay (Brown County)	447	444	433	41.0	40.7	41.0	10.91	10.90	10.54	10.34	10.31
Janesville (City)	553	546	506	40.6	40.2	39.2	13.61	13.58	12.92	13.09	12.97
Janesville-Beloit (Rock County)	479	469	453	40.0	39.4	40.3	11.97	11.90	11.24	11.40	11.26
Kenosha (County)	474	466	476	40.1	39.1	40.2	11.83	11.92	11.84	11.56	11.62
La Crosse (County)	349	341	341	38.7	39.3	39.0	9.03	8.91	8.74	8.57	8.56
Madison (Dane County)	385	378	379	40.7	39.9	40.4	9.46	9.47	9.39	9.06	9.09
Manitowoc (County)	356	364	338	37.6	38.7	38.4	9.48	9.40	8.82	9.29	9.23
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	465	466	472	40.8	40.8	41.9	11.40	11.41	11.27	10.95	10.96
Racine (County)	416	402	429	39.3	39.0	41.1	10.58	10.30	10.43	10.38	10.02
Sheboygan (County)	384	393	370	39.1	39.8	39.5	9.81	9.88	9.37	9.48	9.51
Wausau (Marathon County)	377	374	372	39.8	40.0	40.7	9.48	9.36	9.15	9.25	9.14

EMPLOYMENT, MFG. *(Unadjusted)* MARCH	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,568.0	19,540.0	19,323.0	0.1	1.3
Wisconsin	503.9	502.3	507.9	0.3	-0.8
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	46.0	45.7	45.5	0.7	1.1
Beloit (City)	5.7	5.6	6.0	1.8	-5.0
Eau Claire (Eau Claire-Chippewa)	8.8	8.9	8.8	-1.1	0.0
Fond du Lac (County)	10.6	10.4	10.3	1.9	2.9
Green Bay (Brown County)	22.6	22.3	22.0	1.3	2.7
Janesville (City)	10.8	10.8	10.7	0.0	0.9
Janesville-Beloit (Rock County)	18.5	18.5	18.7	0.0	-1.1
Kenosha (County)	10.6	10.7	15.9	-0.9	-33.3
La Crosse (County)	10.5	10.8	10.3	-2.8	1.9
Madison (Dane County)	20.6	20.6	19.3	0.0	6.7
Manitowoc (County)	10.8	10.7	11.6	0.9	-6.9
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.9	172.0	174.6	-0.6	-2.1
Racine (County)	25.6	24.3	25.8	5.3	-0.8
Sheboygan (County)	18.7	18.8	18.4	-0.5	1.6
Wausau (Marathon County)	10.9	10.7	10.8	1.9	0.9

EMPLOYMENT PROGRESS: WISCONSIN VS. THE NATION

by Joseph Tumpach, Jr.

Is Wisconsin's economy drying into an arid economic desert? Is business and the economy here whithering while other parts of the nation flourish?

The negative population and economic trends of the past few years have received much attention from the news media, government officials, the academic fraternity, and outspoken observers.

The working-age population, many suggest, is fleeing Wisconsin to the economic Edens of California, Texas...the Sunbelt states. And, though basic manufacturing industries are decaying throughout the country, "high-tech" industries will usher us into a post-industrial, information and service age...and, it is beginning right there in the sunbelt!

How true is this scenario? Can we verify the trends? Just how does Wisconsin's employment situation compare to the nation as a whole?

Population estimates for the state and for the nation are produced with the monthly Current Population Survey. The U.S. Census Bureau conducts the survey of households throughout the nation to produce labor force statistics for the Bureau of Labor Statistics. While the data are derived from a survey, implying a margin of error, the survey includes a official population estimate for those 16 years of age and older - labor force age.

For the years 1980 through 1984, the working age population is growing faster in the U.S. as a whole than in Wisconsin. However, the state's 16 years old and older population still increased.

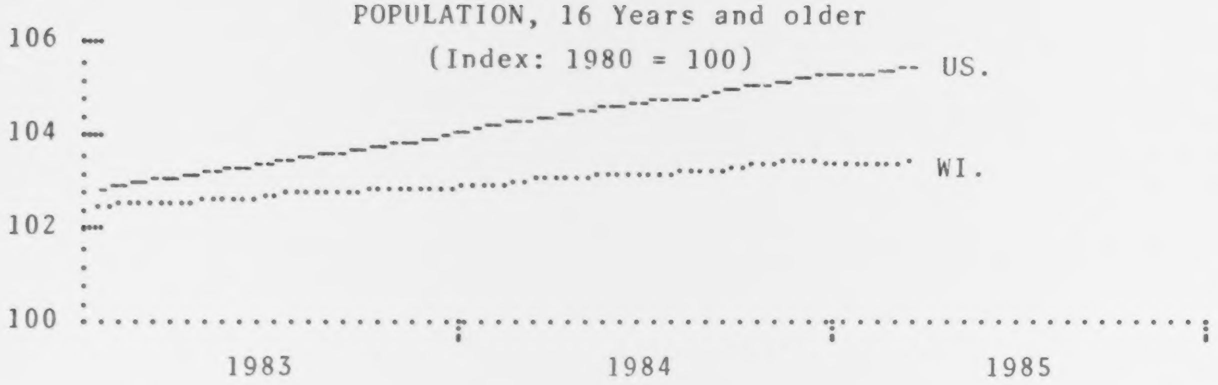
Labor force growth during the last couple of years is markedly different in Wisconsin than in the nation. The nation's labor force has grown in a steadier pattern. Wisconsin's labor force has grown in a pattern of sharp increases and plateaus, with a decreasing trend beginning in the last part of 1984.

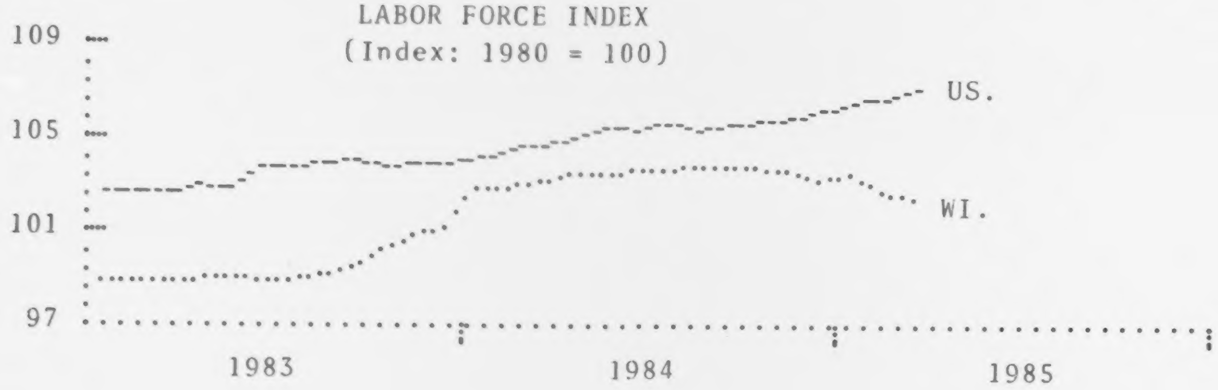
The portion of labor force-age population that is employed, the employment rate, is slightly greater in Wisconsin than in the nation as a whole. That includes only nonfarm wage and salary workers...which is the vast majority of jobs. The employment rate edge has been consistently maintained by the state for the past several years. However, the pace of actual employment growth is greater in the nation as a whole, reflecting a population that is growing more rapidly throughout the country. Thus, a higher Wisconsin employment rate together with a lower state labor force growth rate is possible.

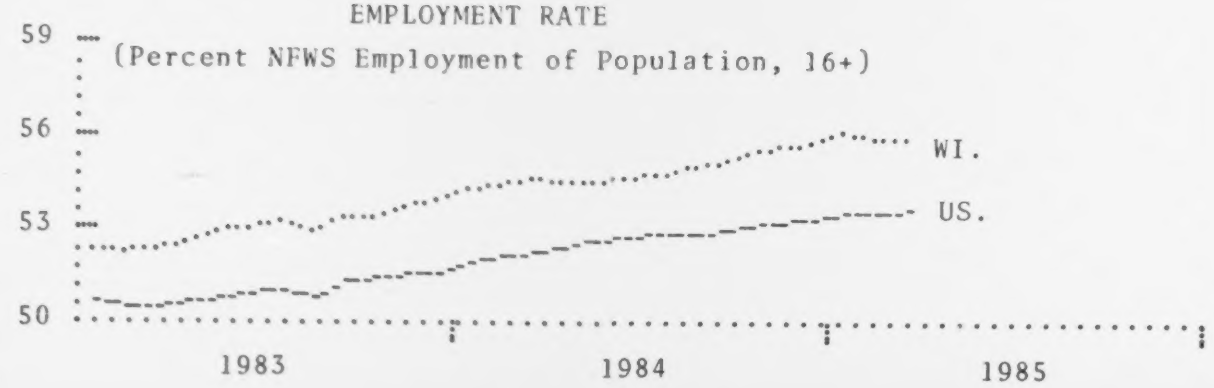
Manufacturing employment in Wisconsin has a growth pattern similar to the country's. The employment level of neither the state nor the country has reached pre-recession levels, though the nation has regained a higher portion. The growth of manufacturing employment slowed markedly in 1984 for both.

The broadest and most popular measure of the employment situation, the unemployment rate, has decreased for both the state and the nation. But, the rate decreases need some qualifying remarks. The state's rate, prior to the latest recession, had been consistently below the federal rate. Wisconsin, however, was more severely affected in the recession. Since the recession, the state's unemployment rate has consistently remained above the nations.

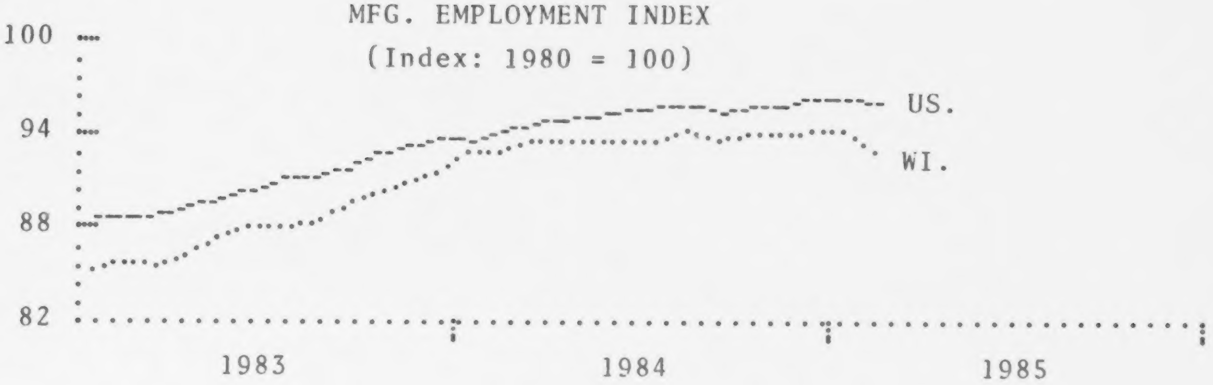
WISCONSIN ECONOMIC INDICATORS

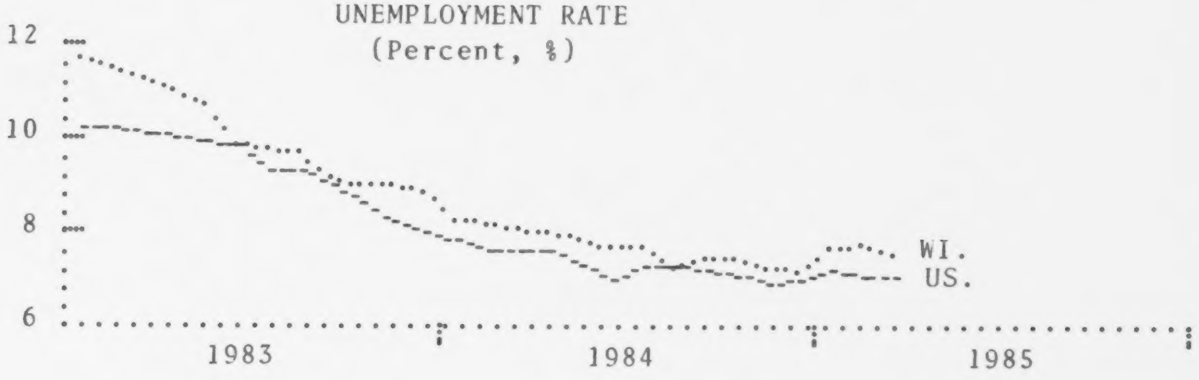




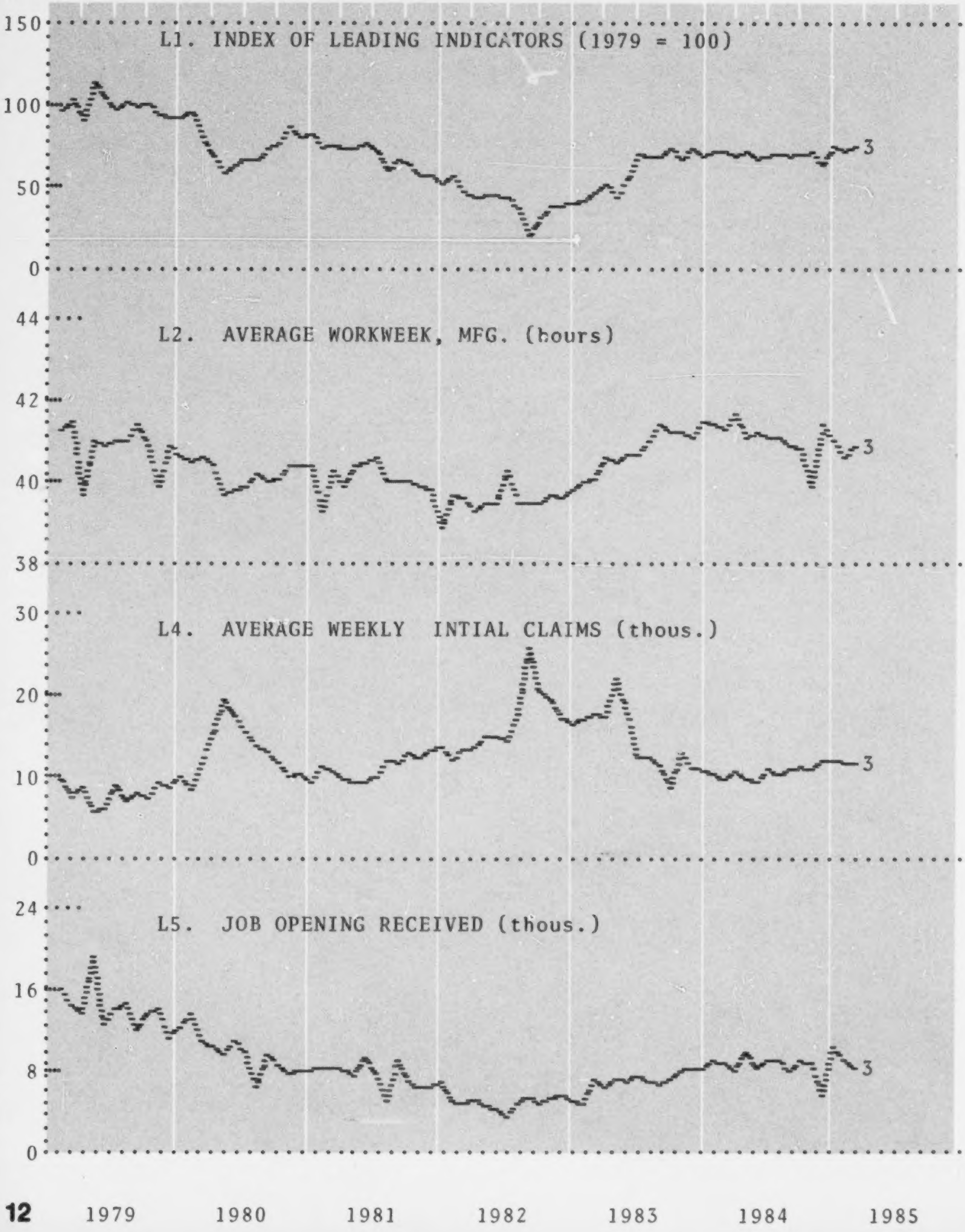


WISCONSIN ECONOMIC INDICATORS


MFG. EMPLOYMENT INDEX
(Index: 1980 = 100)


UNEMPLOYMENT RATE
(Percent, %)

CYCLICAL INDICATORS



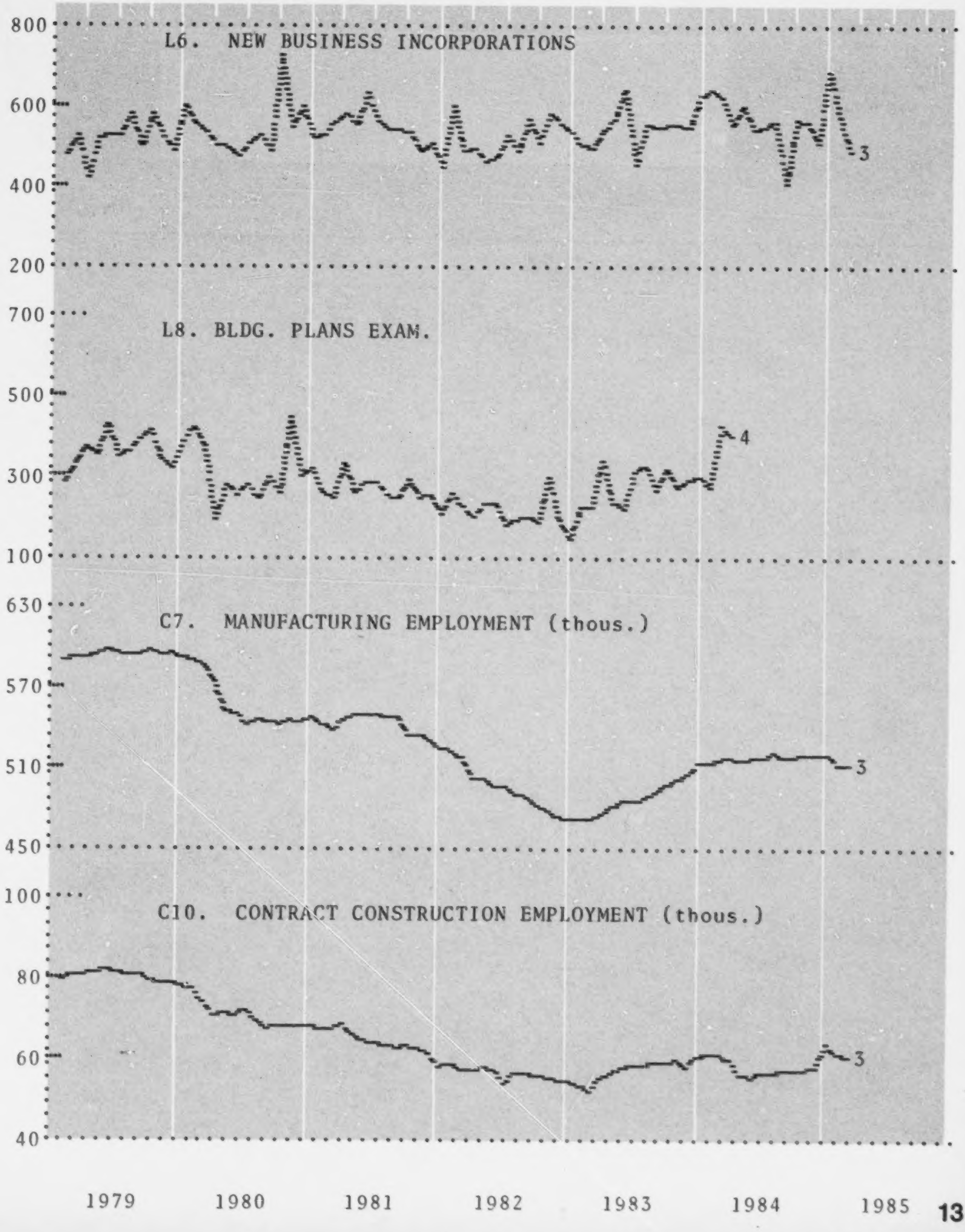
L1. INDEX OF LEADING INDICATORS (1979 = 100)

L2. AVERAGE WORKWEEK, MFG. (hours)

L4. AVERAGE WEEKLY INTIAL CLAIMS (thous.)

L5. JOB OPENING RECEIVED (thous.)

CYCLICAL INDICATORS



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WISCONSIN ECONOMIC INDICATORS

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17 18

DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry. Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR APRIL

LEADING INDICATORS OF WISCONSIN'S ECONOMIC ACTIVITY ARE VARIED IN APRIL AND ARE POINTING TO NO DEFINITE ECONOMIC TURNS. THE STATE'S LABOR SITUATION IMPROVED, BUT MAINLY DUE TO SUB-NORMAL LABOR FORCE GROWTH.

LEADING INDICATORS

The average weekly hours worked by production workers in manufacturing decreased in April, but some decrease is normal. Nevertheless, the workweek trend is down.

The shorter workweek is not absolutely bad news because the number of workers employed in manufacturing increased at above the seasonally normal pace.

Equally encouraging is the fact that while the average overtime hours worked per week dipped slightly, the overtime reduction was less than seasonally normal for April.

The average number of weekly initial claims for unemployment compensation declined in April, signaling a decrease in layoffs. April's claims-level change was a sizable 640 per week decrease; was greater than seasonally normal; and was enough to drop the initial claims average to the lowest level since October of 1984.

The number of job openings received by Job Service offices throughout the state increased in April. The improvement in the number of requests for workers, however, was slightly less than the usual April trend.

The new business incorporation total for April decreased. When adjusted for seasonal factors, the month-to-month trend of incorporations has decreased each month of 1985.

The net gain in business telephone access lines also decreased in April, but a March-to-April decline is normal. This month's decline, in fact, was less than usual, so the trend is up. This April's net access-line gain is the highest for any April since 1979.

The number of building plans examined by state officials increased by nearly 25 percent in April. The commerical and industrial safety and building code examinations increased at nearly the seasonal pace.

WISCONSIN LABOR FORCE

Employment growth from March to April numbered close to 30-thousand throughout the state. However, a large gain in that period is normal. In fact, when adjusting for seasonal factors, the employment trend is down.

Most of this month's employment growth drew off the unemployed with only a small portion attributable to labor force expansion.

The level of unemployment decreased by 22-thousand job seekers. That amount exceeds the normal March-to-April trend, thus, the unemployment trend is down.

The employment gain, coupled with the unemployment drop, resulted in a decrease of 1.0 percentage point in the unemployment rate. And, that betters the normal seasonal pattern for April.

The size of the labor force, however, grew only meagerly in April...well below the normal trend. Much of April's improved labor situation resulted from the unusually low labor force growth.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	78.2 Apr	75.4	69.8	3.7	12.0	70.1
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	40.2 Apr	40.7	41.3	-1.2	-2.7	41.1
Seasonally Adjusted		40.6	40.8	41.7	-0.5	-2.6	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	2.8 Apr	2.9	3.0	-3.4	-6.7	3.2
Seasonally Adjusted		3.2	3.1	3.4	3.2	-5.9	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	10,873 Apr	11,516	10,539	-5.6	3.2	10,817
Seasonally Adjusted		11,152	11,799	10,805	-5.5	3.2	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	7,780 Apr	7,480	7,610	4.0	2.2	8,694
Seasonally Adjusted		8,393	8,471	8,210	-0.9	2.2	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	507 Apr	528	601	-4.0	-15.6	562
Seasonally Adjusted		469	488	556	-3.9	-15.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	1,471 Apr	2,085	1,391	-29.4	5.8	328
Seasonally Adjusted		1,140	1,008	225	13.1	406.7	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	498 Apr	399	472	24.8	5.5	487
Seasonally Adjusted		504	507	477	-0.6	5.6	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	50 Apr	54	46	-7.4	8.7	52
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.8 Apr	7.8	7.7	–	–	7.4
Seasonally Adjusted		7.4	7.6	8.0	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	318.5 Mar	419.6	393.8	-24.1	-19.1	252.5
Seasonally Adjusted		232.5	272.6	287.5	-14.7	-19.1	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	14,712 Apr	14,766	16,253	-0.4	-9.5	16,066
Seasonally Adjusted		15,038	13,655	16,610	10.1	-9.5	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1861.8 Mar	1789.3	1902.0	4.1	-2.1	1865.8
Seasonally Adjusted		1816.4	1875.6	1856.2	-3.2	-2.1	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	49.6 Apr	121.8	66.0	-59.3	-24.8	89.4
Seasonally Adjusted		52.0	153.4	69.2	-66.1	-24.9	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	507.7	Apr	503.6	510.5	0.8	-0.5	518.3
Seasonally Adjusted		515.4		513.4	518.3	0.4	-0.6	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	410.44	Apr	415.14	417.54	-1.1	-1.7	412.46
Seasonally Adjusted		415.01		414.31	422.05	0.2	-1.7	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.9	Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	54.3	Apr	49.5	52.2	9.7	4.0	58.3
Seasonally Adjusted		62.4		61.4	60.0	1.6	4.0	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,500	Apr	5,769	5,979	12.7	8.7	6,101
Seasonally Adjusted		6,612		5,792	6,080	14.2	8.8	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,443	Apr	3,537	3,553	-2.7	-3.1	3,438
Seasonally Adjusted		3,546		3,474	3,659	2.1	-3.2	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,057	Apr	2,232	2,426	37.0	26.0	2,663
Seasonally Adjusted		3,158		2,397	2,505	31.7	26.1	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	2,213	Apr	1,640	2,054	34.9	7.7	3,420
Seasonally Adjusted		2,567		2,852	2,382	10.0	7.8	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	327.8	Mar	(Jan) 324.6	316.8	1.0	3.5	320.6
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	Apr	139	146	-3.6	-8.2	144
Seasonally Adjusted		133		138	145	-3.6	-8.3	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-1,069	Apr	3,599	-1,734	-129.7	38.4	750
Seasonally Adjusted		1,736		2,177	359	-20.3	383.6	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	104	Apr	45	1,062	131.1	-90.2	520
Seasonally Adjusted		114		65	1,168	75.4	-90.2	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	27,705	Apr	25,770	30,887	7.5	-10.3	28,186
Seasonally Adjusted		24,693		25,490	27,525	-3.1	-10.3	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2366.2	2359.3	2374.1	0.3	-0.3
Employment (Inc. Labor Disputes)	2204.3	2175.4	2190.6	1.3	0.6
Unemployment	161.9	183.9	183.5	-12.0	-11.8
Unemployment Rate	6.8	7.8	7.7	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2401.6	2414.1	2449.7	-0.5	-2.0
Employment (Inc. Labor Disputes)	2224.2	2230.2	2254.6	-0.3	-1.3
Unemployment	177.4	183.9	195.1	-3.5	-9.1
Unemployment Rate	7.4	7.6	8.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1963.0	1940.4	1909.6	1.2	2.8
Unadjusted					
Manufacturing	507.6	503.6	509.5	0.8	-0.4
Mining	1.7	1.1	1.6	54.5	6.2
Contract Construction	54.3	49.5	52.2	9.7	4.0
Transportation and Public Utilities	90.3	89.1	89.6	1.3	0.8
Elec., Gas and Sanitary Services	17.1	17.0	16.8	0.6	1.8
Wholesale Trade	100.3	99.7	97.9	0.6	2.5
Retail Trade	361.3	353.9	342.7	2.1	5.4
General Merchandise	48.4	47.7	45.8	1.5	5.7
Finance, Insurance and Real Estate	105.5	104.7	100.6	0.8	4.9
Banking	28.4	28.4	27.2	0.0	4.4
Insurance	33.4	33.2	32.4	0.6	3.1
Service and Miscellaneous	414.6	410.6	395.9	1.0	4.7
Hospitals	67.2	67.6	70.3	-0.6	-4.4
Private Education	26.6	25.8	24.4	3.1	9.0
Government	327.6	328.1	319.6	-0.2	2.5
State Government	84.3	84.9	82.5	-0.7	2.2
Local Government	216.2	216.6	210.5	-0.2	2.7

UNITED STATES LABOR FORCE ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	115,371	115,514	113,202	-0.1	1.9
Employment	106,945	107,119	104,402	-0.2	2.4
Unemployment	8,426	8,396	8,800	0.4	-4.2
Unemployment Rate	7.3	7.3	7.8	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* APRIL	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	507.6	503.6	509.5
All Manufacturing (Excluding Canning)	500.9	497.0	503.1
Durable Goods	317.0	313.2	319.3
Lumber and Wood Prod., (Except Furniture)	21.1	20.4	21.3
Sawmills and Planning Mills	3.2	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.3	8.9	9.5
Furniture and Fixtures	11.5	11.3	9.8
Household Furniture	5.3	5.2	4.5
Stone, Clay and Glass Products	6.9	6.3	7.5
Concrete, Gypsum and Plaster Products	2.6	2.0	3.0
Primary Metal Industries	20.0	20.0	18.9
Iron and Steel Foundries	11.2	11.2	10.9
Fabricated Metal Products	49.3	49.3	50.6
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.0	4.9	5.6
Fabricated Structural Metal Products	11.7	11.5	11.3
Metal Stampings	12.0	12.2	12.7
Machinery (Except Electrical)	102.4	103.1	101.7
Engines and Turbines	19.7	20.1	22.2
Farm Machinery and Equipment	12.9	12.8	13.6
Const., Min. & Material Handling Mach. & Equip.	11.1	11.2	11.3
Metalworking Machinery and Equipment	11.9	12.1	11.0
Special Industry Machinery (Except Metalworking)	11.2	11.2	10.4
General Industrial Machinery and Equipment	15.3	15.4	14.4
Service Industry Machines	7.8	7.7	7.6
Electrical Machinery, Equipment and Supplies	50.0	50.8	52.8
Electrical Industrial Apparatus	18.1	18.1	18.4
Household Appliances	6.5	6.6	7.0
Transportation Equipment	34.8	31.1	36.3
Motor Vehicles and Equipment	27.8	24.1	29.3
Instruments and Related Products	10.7	10.7	10.4
Miscellaneous Manufacturing	10.4	10.3	9.9
Nondurable Goods	190.6	190.4	190.2
Food and Kindred Products	57.3	57.6	58.0
Meat Products	13.4	13.8	13.6
Dairy Products	17.8	17.8	17.2
Canning and Preserving	6.7	6.6	6.4
Bakery Products	3.8	3.8	4.2
Beverage Industries	8.0	8.2	9.2
Textile Mill Products	4.9	4.8	4.6
Knitting Mills	4.1	4.1	3.9
Apparel and Other Finished Products	6.4	6.2	6.5
Paper and Allied Products	46.4	46.3	46.8
Pulp and Paper Mills	29.0	28.9	29.2
Converted Paper and Paperboard Products	9.3	9.4	9.4
Paperboard Containers and Boxes	6.9	6.9	7.0
Printing, Publishing and Allied Industries	37.1	37.0	35.9
Newspapers	11.7	11.7	11.1
Commercial Printing	15.5	15.3	15.1
Chemicals and Allied Products	9.8	9.7	9.8
Rubber and Misc. Plastics Products	20.9	21.0	20.2
Miscellaneous Plastics Products	16.6	16.7	15.7
Leather and Leather Products	7.5	7.4	8.1
Leather Tanning and Finishing	2.0	1.9	2.1
Footwear (Except Rubber)	3.8	3.8	4.3
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$410	$415	$418	40.2	40.7	41.3
All Manufacturing (Excl. Canning)	412	417	419	40.2	40.8	41.3
Durable Goods	419	428	430	40.1	40.9	41.7
Lumber/Wood Prod. (Exc. Furn.)	312	310	300	40.9	40.8	40.7
Furniture and Fixtures	298	301	315	41.4	41.5	42.3
Stone, Clay and Glass Products	390	390	388	41.5	41.6	41.5
Primary Metal Industries	413	410	418	41.5	41.4	43.0
Iron and Steel Foundries	416	411	434	41.2	40.8	43.3
Fabricated Metal Products	397	402	415	39.4	39.7	41.0
Fab. Structural Metal Prod.	420	416	415	41.8	41.6	42.6
Metal Stampings	373	387	388	37.0	38.1	39.0
Machinery (Except Electrical)	478	480	484	41.3	41.5	42.0
Engines and Turbines	523	517	514	41.0	41.2	42.0
Farm Machinery and Equip.	514	510	527	41.1	40.8	41.6
Const. and Related Mach.	472	474	502	40.8	40.6	41.7
Metalworking Mach. and Equip.	498	506	477	42.3	42.6	41.5
Spec. Ind. Mach. (Exc. Metal) .	483	494	501	43.0	43.6	45.4
Gen. Industrial Mach. and Equip.	492	495	483	41.0	41.1	41.2
Electrical Mach., Equip. and Supp.	392	399	392	39.2	40.1	41.0
Electrical Industrial Apparatus	415	419	427	39.9	40.5	41.6
Transportation Equipment	505	571	560	36.7	41.5	42.8
Instruments and Related Prod.	348	345	333	39.2	39.0	40.8
Nondurable Goods	396	396	397	40.4	40.5	40.7
Food and Kindred Products	375	372	377	39.4	39.5	38.7
Meat Products	323	325	365	38.0	38.2	38.3
Dairy Products	390	385	366	41.2	41.1	39.0
Textile Mill Products	283	288	285	39.7	40.0	41.5
Apparel and Other Fin. Prod.	243	238	228	38.6	38.2	38.2
Paper and Allied Products	510	511	483	44.7	44.8	44.4
Pulp and Paper Mills	555	553	521	46.2	46.0	45.6
Printing, Pub. and Allied Prod.	404	407	447	37.7	37.9	40.0
Chemicals and Allied Products	442	459	450	40.7	41.9	42.1
Rubber and Misc. Plastics Prod.	314	317	322	38.6	39.0	39.5
Leather and Leather Products.	261	254	261	39.7	38.6	38.8

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.21	10.20	10.11	9.87	9.85	9.74
All Manufacturing (Excl. Canning)	10.24	10.23	10.14	9.91	9.89	9.77
Durable Goods	10.46	10.46	10.31	10.17	10.15	9.98
Lumber/Wood Prod. (Exc. Furn.)	7.64	7.61	7.38	7.57	7.52	7.33
Furniture and Fixtures	7.20	7.25	7.45	7.08	7.11	7.33
Stone, Clay and Glass Products	9.40	9.38	9.35	9.18	9.19	9.03
Primary Metal Industries	9.96	9.91	9.71	9.62	9.60	9.27
Iron and Steel Foundries	10.09	10.08	10.02	9.76	9.80	9.58
Fabricated Metal Products	10.08	10.12	10.12	9.73	9.73	9.65
Fab. Structural Metal Prod.	10.05	10.01	9.74	9.63	9.61	9.35
Metal Stampings	10.08	10.16	9.94	9.91	9.96	9.68
Machinery (Except Electrical)	11.58	11.56	11.53	11.24	11.25	11.21
Engines and Turbines	12.76	12.54	12.24	12.29	12.22	11.82
Farm Machinery and Equip.	12.50	12.50	12.68	12.20	12.23	12.38
Const. and Related Mach.	11.56	11.68	12.05	11.39	11.49	11.89
Metalworking Mach. and Equip.	11.77	11.87	11.49	11.40	11.41	11.13
Spec. Ind. Mach. (Exc. Metal) .	11.24	11.33	11.03	10.73	10.77	10.58
Gen. Industrial Mach. and Equip.	12.00	12.04	11.72	11.71	11.77	11.38
Electrical Mach., Equip. and Supp.	10.01	9.95	9.55	9.81	9.74	9.34
Electrical Industrial Apparatus	10.39	10.34	10.26	10.21	10.18	10.04
Transportation Equipment	13.75	13.76	13.08	13.33	13.22	12.56
Instruments and Related Prod.	8.87	8.84	8.16	8.77	8.72	8.08
Nondurable Goods	9.79	9.77	9.75	9.37	9.34	9.33
Food and Kindred Products	9.51	9.41	9.75	9.09	9.02	9.36
Meat Products	8.50	8.50	9.54	8.18	8.20	9.33
Dairy Products	9.46	9.37	9.39	9.03	8.97	9.05
Textile Mill Products	7.12	7.20	6.87	6.93	6.99	6.69
Apparel and Other Fin. Prod.	6.29	6.23	5.96	6.17	6.11	5.90
Paper and Allied Products	11.40	11.41	10.87	10.89	10.90	10.39
Pulp and Paper Mills	12.02	12.03	11.42	11.49	11.50	10.88
Printing, Pub. and Allied Prod.	10.72	10.75	11.18	-	-	-
Chemicals and Allied Products	10.87	10.95	10.68	10.61	10.60	10.41
Rubber and Misc. Plastics Prod.	8.13	8.12	8.15	7.97	7.90	7.85
Leather and Leather Products.	6.57	6.58	6.73	6.42	6.43	6.60

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* APRIL	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$380	$381	$373	40.1	40.4	40.9	9.48	9.43	9.11	–	–
Wisconsin	410	415	418	40.2	40.7	41.3	10.21	10.20	10.11	9.87	9.85
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	422	417	408	41.9	41.5	42.1	10.06	10.05	9.70	9.67	9.66
Beloit (City)	364	357	394	39.0	38.6	42.0	9.33	9.25	9.36	–	–
Eau Claire (Eau Claire-Chippewa)	433	422	407	42.0	41.5	41.7	10.31	10.18	9.76	9.86	9.71
Fond du Lac (County)	378	391	399	40.9	42.8	43.8	9.25	9.14	9.09	8.99	8.88
Green Bay (Brown County)	446	447	427	40.7	40.9	40.5	10.97	10.92	10.54	10.39	10.34
Janesville (City)	537	546	626	39.9	40.2	44.8	13.46	13.58	13.97	13.21	12.97
Janesville-Beloit (Rock County)	471	479	521	39.7	40.0	43.3	11.87	11.98	12.03	11.57	11.41
Kenosha (County)	362	479	467	30.2	40.6	39.9	11.98	11.81	11.71	11.75	11.53
La Crosse (County)	353	348	348	38.6	38.6	38.8	9.14	9.01	8.96	8.75	8.55
Madison (Dane County)	381	385	380	40.7	40.7	40.0	9.36	9.46	9.51	9.00	9.07
Manitowoc (County)	344	364	344	36.7	38.7	39.5	9.36	9.40	8.72	9.19	9.23
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	462	466	465	40.4	40.8	41.5	11.44	11.41	11.21	10.97	10.97
Racine (County)	414	415	429	39.2	39.2	41.2	10.56	10.58	10.42	10.32	10.38
Sheboygan (County)	379	387	391	39.1	39.2	40.7	9.69	9.86	9.61	9.41	9.52
Wausau (Marathon County)	390	377	375	41.7	39.9	41.0	9.35	9.46	9.15	9.09	9.20

EMPLOYMENT, MFG. *(Unadjusted)* APRIL	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,576.0	19,576.0	19,432.0	0.0	0.7
Wisconsin	507.6	503.6	509.5	0.8	-0.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	46.3	46.1	45.7	0.4	1.3
Beloit (City)	5.6	5.6	5.8	0.0	-3.4
Eau Claire (Eau Claire-Chippewa)	8.9	8.9	9.0	0.0	-1.1
Fond du Lac (County)	10.8	10.4	10.4	3.8	3.8
Green Bay (Brown County)	22.5	22.5	22.1	0.0	1.8
Janesville (City)	10.9	10.8	10.7	0.9	1.9
Janesville-Beloit (Rock County)	18.7	18.5	18.6	1.1	0.5
Kenosha (County)	14.5	10.7	15.5	35.5	-6.5
La Crosse (County)	10.5	10.6	10.5	-0.9	0.0
Madison (Dane County)	20.6	20.5	19.3	0.5	6.7
Manitowoc (County)	10.8	10.7	11.3	0.9	-4.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.1	170.7	174.8	-0.9	-3.3
Racine (County)	25.3	25.6	25.8	-1.2	-1.9
Sheboygan (County)	18.5	18.6	18.7	-0.5	-1.1
Wausau (Marathon County)	11.4	11.0	10.9	3.6	4.6

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert

Department of Revenue

Federal economic policies have resulted in an unbalanced recovery. The combination of massive federal budget deficits, high interest rates, the strong dollar and massive trade deficits have lead to a leveling off of the unemployment rate at 7 to 7.5 percent. Manufacturing employment growth has flattened out below pre-recession levels. Very little employment growth in the manufacturing sector occurred during the second year of the recovery as trade and services accounted for well over half of total job growth.

The economy has shown recent evidence of weakening, but forces in the financial markets and actions by the Federal Reserve should be enough to keep the economy growing at a slow pace for the remainder of this year. The poor performance in the first quarter was due to extreme weakness in retail sales which stemmed from weakness in disposable income. The latter was caused, in part, by delayed federal income tax refunds. Income and sales are expected to catch up to the underlying growth trend in pre-tax income in the second quarter.

Real growth this quarter is expected to be 3.2%, as real final sales rebound from the anemic first quarter. For the second half of this year, real GNP growth will likely be slowing down again, averaging 2.5% as the Federal Reserve seeks to constrain money growth to its target ranges. A modest tightening by the Fed in the second half of this year would yield a lower growth rate for 1986 (2.4%) than for this year (2.8%), but with growth resuming in 1987 at a rate of 3.8 percent.

Prices and wages are also expected to show only moderate growth. The preliminary estimate of first-quarter inflation in the GNP deflator was 5.3 This is not, however, indicative of the underlying inflation rate because it reflects a surge in energy consumption, a federal government pay increase, and a sharp drop in oil imports. The forecast is still for very modest increases, with the GNP deflator rising 3.6% this year, 3.5% in 1986, and 4.4% in 1987. Since 1985 is not a big year for labor contract negotiations, it is also unlikely to be a year when a major wage surge occurs. Nevertheless, average hourly earnings are expected to rise more rapidly than last year; in the first quarter, earnings grew at a 3.8% annual rate, compared with 2.8% in the last quarter of 1984. Earnings growth is expected to remain in the 3.5 to 4.0% range for the rest of the year. The first quarter is expected to mark the transition from a period of declining rates of earnings growth, initiated in the second quarter of 1981, to one of moderately increasing growth rates over the next two and a half years. Since productivity growth will be limited to the 1 to 2% range, accelerating labor compensation will drive up unit labor costs throughout the forecast period.

The responses to the first quarter slowdown already appear to be in place. When growth faltered, the revised expectations of private financial market participants and the actions of the Federal Reserve combined to drive interest rates significantly lower. This has strengthened residential construction and consumer durable demand and reduced recessionary tendencies. The recent Fed action to lower the discount rate from 8.0% to 7.5% only reinforces the downward trend in interest rates observed for the past few months.

There is, however, a likely limit on the slide in interest rates. The

Federal Reserve is still very much concerned about the prospects of money growth and renewed inflation. All of the monetary aggregates are rising far above the rates permitted by the Federal Reserve's targets. It is likely that the growth rates of the monetary aggregates must be reined in at some point this year.

Although the narrowly-defined money supply has declined in five of the last seven weeks, this drop may be somewhat artificial. The Internal Revenue Service is running three to four weeks behind in processing tax refunds; although now catching up, it has still paid out only $31.6 billion, $3.5 billion behind the pace of a year ago. Much of this missing money would otherwise be in deposits.

The slowing of the economy has forced the Fed to remain loose to prevent a slide into recession. As more encouraging economic news is received during the second quarter, the Fed is likely to begin to tighten in order to bring the aggregates back within their target range by mid-year.

Also of concern to the Federal Reserve, industrial production has been essentially flat in early 1985, an inevitable consequence of the spending slowdown and another surge imports. The import problem will not go away quickly. Even if interest rates drop enough to bring about a gradual readjustment in the dollar's value in international markets, the lost markets in foreign trade cannot be regained quickly. Industrial production and employment in manufacturing are therefore expected to continue to advance slowly in response to minor interest rate movements, shallow cycles in consumption, inventory adjustments, and continued import competition.

A major factor in the current outlook is the potential for a deficit reduction package totalling $50 billion in fiscal 1986. While the differences between the Senate and House budget resolutions present serious political obstacles, the prospects for a $50 billion package have improved. However, it should not be presumed that significant deficit reduction will produce immediate economic benefits.

In summary, the U.S. economy is still presently characterized as being in a precarious unbalanced growth equilibrium. The financial markets and the Federal Reserve are able to move the economy into short-run growth waves and corrections, but the fundamentals for balanced long-run growth depend on a resoution of the federal deficit problem, and the foreign trade and exchange rate problem.

WISCONSIN ECONOMIC OUTLOOK

Employment data for the first quarter of 1985 indicate that Wisconsin's economic recovery has continued to parallel the national recovery. During the first quarter Wisconsin nonfarm wage and salary employment increased by 0.8%, exactly equaling the national pattern of continuing strength in the trade and service sectors and weakness in manufacturing.

Since the first quarter of 1983, total nonfarm wage and salary employment in Wisconsin has grown 7.8%, very close to the 8.5% average for the U.S. During the last two years, 149,000 jobs have been added to the Wisconsin economy. Manufacturing employment has also followed the national pattern with Wisconsin showing slightly higher employment growth in nondurables and slightly lower employment growth in durables.

A troublesome aspect of the current recovery is the leveling off of employment growth in the manufacturing sector. During the first year of the recovery a large proportion of employment growth came from the manufacturing sector. However, during the most recent four quarters, very few manufacturing jobs have been created.

In both the U.S. and Wisconsin, the manufacturing sector was the most important source of employment growth during the first year of the recovery providing 33% of the job growth in the U.S. and 50% in Wisconsin. In the most recent four quarters, however, the manufacturing sector provided only 11% of the new jobs in the U.S. and a mere 1% in Wisconsin. During the last four quarters, 60% of U.S. employment growth and 70% of Wisconsin employment growth is in the trade and service sectors.

The current "unbalanced" recovery is largely the product of federal government policy. On the one hand, the federal government has pursued a highly stimulative fiscal policy, incurring large budget deficits to finance tax cuts and defense spending increases. On the other hand, the Federal Reserve Board has pursued a relatively restrictive monetary policy. The result has been relatively high interest rates, a strong dollar and a flood of imports. Manufacturing can be expected to show continued weakness until interest rates decline and the dollar weakens.

Although the "unbalanced" nature of the current phase of the recovery is of concern nationally, it has particularly important consequences for income growth in Wisconsin.

The unbalanced national recovery has had an especially negative impact on the Wisconsin income base. Wisconsin wage rates relative to the U.S. have declined sharply since 1980. Initially, this trend was a recession phenomenon. However, after the first year of the economic recovery, the negative trend appears to be reestablished during the second half of 1984. There are two primary reasons why this trend may continue into the future. First, the differential between Wisconsin's above-average manufacturing wages and those of the U.S. has narrowed during the last two years. Second, and of greatest importance, all of the recent growth in Wisconsin employment has occurred in the service producing sectors in which Wisconsin wage levels are well below the national average. Consequently, the trade-off of high wage manufacturing jobs for lower-wage (often part-time) service jobs has a more depressing effect on the Wisconsin income base compared to the nation as a whole. To illustrate, the average annual Wisconsin manufacturing wage at the end of 1984 was $22,100 compared to $14,300 in the non-manufacturing private sector.

The current economic forecast projects an increase of 3.1% in total nonfarm wage and salary employment in 1985. Total employment is expected to grow by 1.4% in 1986 and 1.2% in 1987. The forecast for 1985 is .5% stronger than our previous forecast which reflects the strong growth in trade and service employment in the current quarter. The outlook for manufacturing remains weak.

The majority of employment growth is forecast to occur in the trade and service sectors. Service employment is forecast to grow 4.5% in 1985, 2.3% in 1986 and 1.7% in 1987. Trade employment is forecast to grow by 4.5% in 1985, 1.7% in 1986, and 1.1% in 1987.

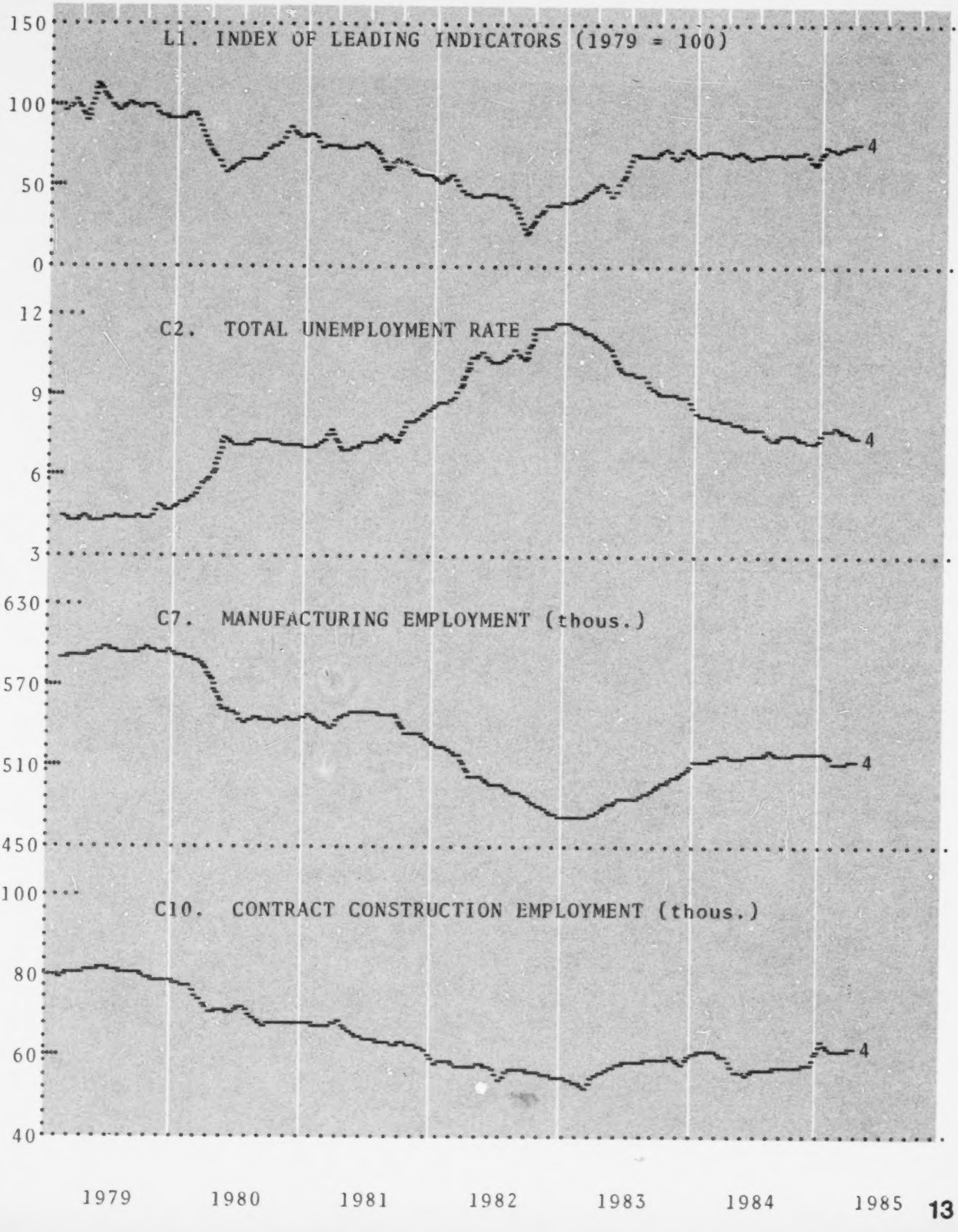
Wisconsin personal income is forecast

(continued on back cover)

WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

	1983	1984	1985	1986	1987
MANUFACTURING	484.2	517.9	517.0	520.9	527.6
DURABLES	295.7	321.7	320.0	323.6	329.1
LUMBER PRODUCTS	20.2	21.5	21.4	21.4	21.3
STONE, CLAY, GLASS	7.8	7.4	7.7	7.9	7.9
PRIMARY METALS	17.6	19.9	19.3	19.3	20.2
FABRICATED METALS	48.6	50.9	50.2	51.7	53.9
NON-ELECT. MACHINERY	92.7	102.3	102.4	103.1	105.0
ELECTRICAL MACHINERY	49.1	52.6	51.2	50.9	51.6
TRANS. EQUIPMENT	33.3	36.1	34.8	36.6	36.8
OTHER DURABLES	26.3	31.1	33.1	32.7	32.4
NONDURABLES	188.5	196.2	196.9	197.3	198.6
FOOD PRODUCTS	61.7	62.7	62.2	62.0	61.8
PAPER PRODUCTS	46.7	47.2	47.0	46.6	46.7
PRINTING & PUBLISHING	33.6	36.2	37.6	38.7	39.7
CHEMICALS	9.3	9.8	9.7	9.4	9.4
RUBBER & PLASTICS	17.7	20.5	21.3	21.9	22.7
OTHER NONDURABLES	19.5	19.6	19.1	18.5	18.2
MINING	1.9	1.8	1.6	1.8	1.8
CONSTRUCTION	57.7	58.3	62.3	63.3	64.3
TRANS., COMM., UTILITIES	87.1	88.1	91.4	91.7	91.7
FINANCE, INSUR., REAL EST.	98.6	102.2	106.9	110.2	113.1
TRADE	433.3	453.8	474.3	482.3	487.5
SERVICES	388.6	403.9	421.9	431.8	439.3
GOVERNMENT	312.4	313.4	323.3	325.0	325.6
TOTAL EMPLOYMENT (Nonfarm)	1863.7	1939.4	1998.8	2026.9	2051.0

CYCLICAL INDICATORS



L1. INDEX OF LEADING INDICATORS (1979 = 100)

C2. TOTAL UNEMPLOYMENT RATE

C7. MANUFACTURING EMPLOYMENT (thous.)

C10. CONTRACT CONSTRUCTION EMPLOYMENT (thous.)

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(Continued from page 12)

to grow by 5.7% in 1985, by 5% in 1986, and by 7% in 1987. Wages and salaries are forecast to grow at almost the same rate as are transfer payments. Property income is forecast to grow at a slightly higher rate.

CONCLUSION

The current forecast is similar to recent state forecasts in predicting moderate gorwth, without a recession, through 1987. However, the massive trade deficit, which in large part has resulted from federal economic policy, limits the growth potential of the U.S. economy. U.S. and Wisconsin manufacturers have lost market share. Most of the recent employment growth has occurred in the lower wage service- producing sector. This situation is not likely to be changed rapidly, even if a significant deficit package is enacted, since new trade patterns tend to persist for an extended period.

The unbalanced pattern of the national recovery has had an especially adverse impact on the Wisconsin income base. The possibility that the decline in relative wages may continue during the next two years adds a major element of uncertainty to the state revenue outlook. In the long-run, some would argue that this factor will enhance Wisconsin's economic competitiveness. However, in the short-run, declining relative wages would translate into weak income and sales tax revenue growth.

The preliminary economic forecast emphasizes the need to maintain a prudent budget balance. In addition to the normal uncertainty associated with national economic forecasts, the question of whether the pattern of declining relative wages will continue is an additional risk factor which must be carefully considered.

7/29/85

S 8750-1

WISCONSIN ECONOMIC INDICATORS

JUNE 1985

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR MAY

WISCONSIN'S LEADING INDICATORS OF ECONOMIC GROWTH POINT TOWARD ECONOMIC WELL-BEING. THE MAJORITY OF MAY INDICATORS GAVE POSITIVE SIGNALS. UNEMPLOYMENT DECREASED SIGNIFICANTLY, BUT PROBABLY BECAUSE LABOR FORCE GROWTH WAS WEAK.

LEADING INDICATORS

The average number of hours worked per week by production workers increased by one hour in May. That is a significant increase for the statewide average. And, it was an increase that was well above the usual April to May seasonal trend.

The average workweek figure was boosted by an increase of average overtime hours in manufacturing. Overtime hours typically increase in summer, beginning in May, but this May's increase was slightly greater than the seasonal trend.

The longer average workweek in manufacturing in May was coupled with an increase of manufacturing workers. That combination suggests an increase of production and signifies economic health.

The average number of weekly initial claims for unemployment compensation decreased in May by nearly 25 percent. A large decrease of claims is usual for May, but this month's decline is a bit more than is seasonally normal. The initial claim drop concided with a decrease of total unemployment that was unusually large for May. However, labor force growth was anemic.

The number of job openings received by state Job Service offices increased at a larger than normal pace for May.

Business formation and expansion looks promising, as new business incorporations, net gain in business telephone access lines, and building plans examined all increased in May.

New business incorporations grew by nearly 100 in May, a month in which new incorporations usually decrease slightly.

The net gain in business telephone access line was somewhat below the seasonal pattern.

The number of building plans examined grew at well above the normal seasonal trend. Plans examined include commmercial and industrial building plans only.

WISCONSIN LABOR FORCE

The employment level throughout the state had a May gain of nearly 28 thousand more employed. Employment growth is normal in the April to May period, and this month's increase is just short of the normal seasonal trend.

The unemployment count, at the same time, dropped by nearly 15 thousand jobless workers. The number out of work usually does go down in May, but this May's decline well exceeds the normal seasonally downward trend.

The result of the near-normal employment growth coupled with the better-than-normal unemployment decrease was a lower unemployment rate. The rate dropped by 0.7 percentage points; a larger than normal drop.

The reason for the better-than-normal improvement was a smaller-than-normal labor force growth in May. Monthly labor force growth has been below par since the last quarter of 1984.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	83.0	May	78.2	72.3	6.1	14.8	70.1
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.1	May	40.1	41.0	2.5	0.2	41.1
Seasonally Adjusted		41.3		40.5	41.1	2.0	0.5	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.2	May	2.8	3.0	14.3	6.7	3.2
Seasonally Adjusted		3.5		3.2	3.2	9.4	9.4	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	8,190	May	10,873	7,455	-24.7	9.9	10,817
Seasonally Adjusted		10,678		11,152	9,716	-4.3	9.9	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	9,359	May	7,780	10,415	20.3	-10.1	8,694
Seasonally Adjusted		9,078		8,393	10,103	16.6	-10.1	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	598	May	507	634	17.9	-5.7	562
Seasonally Adjusted		571		469	605	21.7	-5.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,947	May	1,471	1,691	32.4	15.1	328
Seasonally Adjusted		994		1,140	521	-12.8	1811.5	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	626	May	498	526	25.7	19.0	487
Seasonally Adjusted		589		504	495	16.7	19.0	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	49	May	50	43	-2.0	14.0	52
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.2	May	6.9	6.9	–	–	7.4
Seasonally Adjusted		6.8		7.4	7.9	–	–	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	212.8	Apr	318.5	249.2	-33.2	-14.6	252.5
Seasonally Adjusted		206.6		232.5	241.9	-11.1	-14.6	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	22,097	May	14,712	18,207	50.2	21.4	16,066
Seasonally Adjusted		19,891		15,038	16,397	32.3	21.3	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1786.4	Apr	1861.8	1733.6	-4.0	3.0	1865.8
Seasonally Adjusted		1894.4		1816.4	1837.6	4.3	3.1	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	122.4	May	49.6	67.1	146.8	82.4	89.4
Seasonally Adjusted		97.9		52.0	53.7	88.3	82.3	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.	THOUS.							
Unadjusted		509.9	May	507.8	511.8	.4	-.4	518.3
Seasonally Adjusted		515.6		515.5	517.3	.02	-.3	
C8 AVG. WEEKLY EARNINGS, MFG.	DOLLARS							
Unadjusted		424.56	May	409.82	412.05	3.6	3.0	412.46
Seasonally Adjusted		424.56		414.38	411.91	2.5	3.1	
C9 CASH RECEIPTS FROM FARM MKTG.	MIL. DOL.							
Unadjusted		458.9	Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.	THOUS.							
Unadjusted		61.8	May	54.1	56.9	14.2	8.6	58.3
Seasonally Adjusted		61.2		62.2	56.4	-1.6	8.5	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS	NUMBER							
Unadjusted		6,515	May	6,500	5,892	0.2	10.6	6,101
Seasonally Adjusted		6,193		6,612	5,599	6.3	10.6	
X2 DEATH REGISTRATIONS	NUMBER							
Unadjusted		3,412	May	3,443	3,500	-0.9	-2.5	3,438
Seasonally Adjusted		3,335		3,546	3,420	-6.0	-2.5	
X3 NATURAL NET GAIN POPULATION	NUMBER							
Unadjusted		3,103	May	3,057	2,392	1.5	29.7	2,663
Seasonally Adjusted		2,734		3,158	2,108	-13.4	29.7	
X4 MARRIAGE REGISTRATIONS	NUMBER							
Unadjusted		3,927	May	2,213	3,906	77.5	0.5	3,420
Seasonally Adjusted		2,995		2,567	2,979	16.7	0.5	
X5 CONSUMER PRICE INDEX (MILW.)	INDEX			(Mar)				
Unadjusted		330.9	May	327.8	320.5	0.9	3.2	320.6
X6 PRICES RECEIVED BY FARMERS	INDEX							
Unadjusted		133	May	134	142	-.7	-6.3	144
Seasonally Adjusted		132		133	141	-.8	-6.4	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES	NUMBER							
Unadjusted		-2,441	May	-1,069	-4,426	-128.3	44.8	750
Seasonally Adjusted		1,846		1,736	144	6.3	118.2	
X8 LABOR DISPUTES, NO. OF WORKERS	NUMBER							
Unadjusted		504	May	104	459	384.6	9.8	520
Seasonally Adjusted		679		114	619	495.6	9.7	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		29,324	May	27,716	31,300	5.8	-6.3	28,186
Seasonally Adjusted		24,872		24,702	26,543	0.7	-6.3	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
MAY	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2378.7	2366.0	2379.5	.5	-.0
Employment (Inc. Labor Disputes)	2231.0	2203.4	2216.3	1.3	.6
Unemployment	147.7	162.6	163.2	-9.2	-9.5
Unemployment Rate	6.2	6.9	6.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2385.0	2399.9	2445.6	-.6	-2.5
Employment (Inc. Labor Disputes)	2222.3	2223.3	2252.6	0	-1.3
Unemployment	162.7	176.6	193.0	-7.9	-15.7
Unemployment Rate	6.8	7.4	7.9	-8.1	-13.9

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
MAY	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1994.0	1962.1	1934.1	1.6	3.1
Unadjusted					
Manufacturing	509.4	507.7	511.4	.3	-.4
Mining	2.2	1.7	1.9	29.4	15.8
Contract Construction	61.8	54.1	56.9	14.2	8.6
Transportation and Public Utilities	92.1	90.2	90.4	2.1	1.9
Elec., Gas and Sanitary Services	17.2	17.1	16.9	.6	1.8
Wholesale Trade	101.2	100.4	99.4	.8	1.8
Retail Trade	372.1	361.5	352.2	2.9	5.7
General Merchandise	48.5	48.1	46.3	.8	4.8
Finance, Insurance and Real Estate	106.3	105.5	101.3	.8	4.9
Banking	28.5	28.4	27.3	.4	4.4
Insurance	33.6	33.4	32.4	.6	3.7
Service and Miscellaneous	418.8	413.6	400.1	1.3	4.7
Hospitals	67.6	67.3	70.0	.4	-3.4
Private Education	24.5	25.5	23.4	-3.9	4.7
Government	330.2	327.4	320.5	.9	3.0
State Government	85.2	84.2	83.2	1.2	2.4
Local Government	217.6	216.3	210.4	.6	3.4

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
MAY	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	115,373	115,371	113,722	0.0	1.5
Employment	106,960	106,945	105,162	0.0	1.7
Unemployment	8,413	8,426	8,560	-0.2	-1.7
Unemployment Rate	7.3	7.3	7.5	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* MAY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	509.4	507.7	511.4
All Manufacturing (Excluding Canning)	502.4	501.1	505.0
Durable Goods	317.0	317.1	320.0
Lumber and Wood Prod., (Except Furniture)	21.4	21.0	21.8
Sawmills and Planning Mills	3.3	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.6	9.3	9.8
Furniture and Fixtures	10.9	11.5	9.8
Household Furniture	4.7	5.3	4.5
Stone, Clay and Glass Products	7.3	6.8	7.5
Concrete, Gypsum and Plaster Products	3.0	2.6	3.0
Primary Metal Industries	20.0	20.0	19.8
Iron and Steel Foundries	11.0	11.2	11.0
Fabricated Metal Products	49.1	49.3	50.6
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.9	4.9	5.6
Fabricated Structural Metal Products	11.7	11.7	11.5
Metal Stampings	11.9	12.0	12.6
Machinery (Except Electrical)	102.0	102.3	100.9
Engines and Turbines	19.4	19.6	21.0
Farm Machinery and Equipment	12.7	12.9	13.5
Const., Min. & Material Handling Mach. & Equip.	11.0	11.1	11.2
Metalworking Machinery and Equipment	12.0	11.9	11.1
Special Industry Machinery (Except Metalworking)	11.3	11.2	10.5
General Industrial Machinery and Equipment	15.1	15.3	14.4
Service Industry Machines	7.7	7.8	7.7
Electrical Machinery, Equipment and Supplies	50.0	50.0	52.8
Electrical Industrial Apparatus	18.1	18.1	18.4
Household Appliances	6.6	6.5	7.0
Transportation Equipment	35.3	35.0	36.1
Motor Vehicles and Equipment	28.1	28.0	29.4
Instruments and Related Products	10.7	10.7	10.5
Miscellaneous Manufacturing	10.5	10.4	10.1
Nondurable Goods	192.3	190.6	191.4
Food and Kindred Products	58.0	57.2	59.3
Meat Products	13.8	13.4	13.9
Dairy Products	18.0	17.8	17.5
Canning and Preserving	7.0	6.7	6.4
Bakery Products	3.7	3.8	4.2
Beverage Industries	8.0	8.0	9.0
Textile Mill Products	5.0	4.9	4.6
Knitting Mills	4.2	4.1	3.9
Apparel and Other Finished Products	6.4	6.4	6.7
Paper and Allied Products	46.9	46.5	47.2
Pulp and Paper Mills	29.4	29.0	29.5
Converted Paper and Paperboard Products	9.5	9.3	9.4
Paperboard Containers and Boxes	6.9	6.9	7.1
Printing, Publishing and Allied Industries	37.3	37.2	35.9
Newspapers	11.8	11.7	11.2
Commercial Printing	15.5	15.5	15.1
Chemicals and Allied Products	10.0	9.8	9.8
Rubber and Misc. Plastics Products	21.0	20.9	20.4
Miscellaneous Plastics Products	16.8	16.6	15.9
Leather and Leather Products	7.4	7.5	8.2
Leather Tanning and Finishing	2.0	2.0	2.1
Footwear (Except Rubber)	3.8	3.8	4.3
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MAY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$425	$410	$412	41.1	40.1	41.0
All Manufacturing (Excl. Canning)	426	412	414	41.1	40.2	41.1
Durable Goods	436	419	425	41.2	40.0	41.4
Lumber/Wood Prod. (Exc. Furn.)	318	311	304	41.6	40.8	40.8
Furniture and Fixtures	296	298	308	40.2	41.4	41.7
Stone, Clay and Glass Products	403	396	405	42.8	41.3	42.6
Primary Metal Industries	404	414	416	40.9	41.5	42.4
Iron and Steel Foundries	393	416	425	39.3	41.1	42.5
Fabricated Metal Products	407	397	414	40.2	39.3	41.2
Fab. Structural Metal Prod.	431	421	430	42.6	41.9	42.4
Metal Stampings	398	373	388	39.5	36.9	39.1
Machinery (Except Electrical)	486	479	477	41.7	41.3	41.6
Engines and Turbines	534	520	493	41.6	40.9	40.8
Farm Machinery and Equip.	526	514	526	41.3	41.1	41.5
Const. and Related Mach.	477	472	505	41.1	40.8	41.8
Metalworking Mach. and Equip.	514	520	488	42.3	42.9	41.6
Spec. Ind. Mach. (Exc. Metal) .	480	483	488	42.4	42.8	44.1
Gen. Industrial Mach. and Equip.	488	493	471	40.7	41.0	40.7
Electrical Mach., Equip. and Supp.	393	392	391	39.7	39.2	41.1
Electrical Industrial Apparatus	415	416	438	40.1	40.0	42.7
Transportation Equipment	604	504	554	42.9	36.5	42.4
Instruments and Related Prod.	358	341	318	39.9	38.7	38.4
Nondurable Goods	405	394	391	40.9	40.3	40.4
Food and Kindred Products	387	373	372	40.1	39.1	38.8
Meat Products	348	319	352	38.8	38.0	37.8
Dairy Products	393	389	363	41.0	40.6	39.0
Textile Mill Products	286	283	285	40.1	39.7	41.6
Apparel and Other Fin. Prod.	245	243	240	39.7	38.7	38.9
Paper and Allied Products	526	509	471	45.4	44.7	43.5
Pulp and Paper Mills	573	554	504	46.8	46.2	44.6
Printing, Pub. and Allied Prod.	405	405	442	37.6	37.7	39.5
Chemicals and Allied Products	456	443	446	41.6	40.7	42.1
Rubber and Misc. Plastics Prod.	317	314	319	39.0	38.7	39.3
Leather and Leather Products.	358	260	264	39.3	39.8	38.9

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MAY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.33	10.22	10.05	9.96	9.88	9.70
All Manufacturing (Excl. Canning)	10.37	10.25	10.08	10.00	9.92	9.73
Durable Goods	10.59	10.48	10.27	10.27	10.19	9.94
Lumber/Wood Prod. (Exc. Furn.)	7.64	7.63	7.44	7.51	7.56	7.18
Furniture and Fixtures	7.37	7.20	7.38	7.22	7.08	7.36
Stone, Clay and Glass Products	9.41	9.58	9.50	9.22	9.40	9.11
Primary Metal Industries	9.88	9.97	9.80	9.59	9.63	9.37
Iron and Steel Foundries	10.01	10.11	10.00	9.80	9.78	9.60
Fabricated Metal Products	10.13	10.09	10.05	9.79	9.75	9.64
Fab. Structural Metal Prod.	10.12	10.04	10.14	9.69	9.64	9.75
Metal Stampings	10.08	10.12	9.92	9.91	9.96	9.72
Machinery (Except Electrical)	11.65	11.60	11.46	11.28	11.26	11.17
Engines and Turbines	12.83	12.71	12.09	12.31	12.26	11.80
Farm Machinery and Equip.	12.73	12.50	12.67	12.39	12.20	12.38
Const. and Related Mach.	11.61	11.56	12.08	11.39	11.39	11.90
Metalworking Mach. and Equip.	12.16	12.12	11.73	11.71	11.67	11.37
Spec. Ind. Mach. (Exc. Metal) .	11.33	11.28	11.06	10.86	10.77	10.56
Gen. Industrial Mach. and Equip.	12.00	12.02	11.56	11.69	11.73	11.27
Electrical Mach., Equip. and Supp.	9.90	10.01	9.52	9.71	9.81	9.27
Electrical Industrial Apparatus	10.34	10.39	10.26	10.19	10.20	9.92
Transportation Equipment	14.08	13.81	13.06	13.55	13.38	12.56
Instruments and Related Prod.	8.97	8.81	8.28	8.81	8.73	8.23
Nondurable Goods	9.90	9.78	9.68	9.44	9.36	9.26
Food and Kindred Products	9.66	9.53	9.59	9.17	9.12	9.25
Meat Products	8.97	8.40	9.31	8.56	8.13	9.10
Dairy Products	9.59	9.57	9.32	9.13	9.13	9.03
Textile Mill Products	7.14	7.13	6.84	6.94	6.94	6.63
Apparel and Other Fin. Prod.	6.18	6.27	6.17	6.04	6.15	6.00
Paper and Allied Products	11.58	11.38	10.82	11.04	10.85	10.33
Pulp and Paper Mills	12.25	11.99	11.29	11.66	11.42	10.74
Printing, Pub. and Allied Prod.	10.78	10.73	11.19	10.32	10.28	-
Chemicals and Allied Products	10.95	10.88	10.60	10.63	10.62	10.38
Rubber and Misc. Plastics Prod.	8.13	8.12	8.12	7.89	7.92	7.82
Leather and Leather Products.	6.56	6.54	6.78	6.40	6.40	6.64

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$381	$380	$371	40.2	40.1	40.7	9.48	9.48	9.12	–	–
Wisconsin	425	410	412	41.1	40.1	41.0	10.33	10.22	10.05	9.96	9.88
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	427	422	410	42.4	41.9	42.0	10.07	10.06	9.77	9.68	9.67
Beloit (City)	359	359	366	38.2	38.6	38.8	9.41	9.31	9.42	–	–
Eau Claire (Eau Claire-Chippewa)	433	432	406	41.5	42.1	41.4	10.44	10.27	9.80	9.99	–
Fond du Lac (County)	378	376	404	42.1	40.7	44.5	8.98	9.23	9.07	8.67	8.97
Green Bay (Brown County)	462	443	440	41.1	40.3	41.3	11.25	11.00	10.66	10.56	10.35
Janesville (City)	628	537	610	44.3	39.9	44.8	14.17	13.46	13.64	13.63	13.21
Janesville-Beloit (Rock County)	525	470	511	42.2	39.6	42.9	12.43	11.87	11.92	11.84	11.58
Kenosha (County)	517	362	464	40.9	29.8	40.2	12.63	12.16	11.55	12.41	11.92
La Crosse (County)	353	353	339	37.9	38.6	38.3	9.31	9.15	8.86	8.88	8.76
Madison (Dane County)	390	379	384	40.7	40.6	40.0	9.58	9.33	9.59	9.17	8.98
Manitowoc (County)	379	344	351	40.3	36.7	39.6	9.40	9.36	8.86	9.17	9.19
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	470	463	457	40.9	40.4	41.2	11.50	11.47	11.10	10.99	10.98
Racine (County)	415	417	418	38.9	39.2	40.0	10.66	10.65	10.45	10.38	10.39
Sheboygan (County)	384	381	390	39.2	39.2	40.6	9.79	9.71	9.60	9.50	9.43
Wausau (Marathon County)	401	390	387	42.3	41.7	41.8	9.48	9.35	9.25	9.10	9.09

EMPLOYMENT, MFG. *(Unadjusted)* MAY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,423.0	19,380.0	19,370.0	0.2	0.3
Wisconsin	509.4	507.7	511.4	0.3	-.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	46.6	46.3	46.2	0.6	0.9
Beloit (City)	5.7	5.6	5.7	1.8	0
Eau Claire (Eau Claire-Chippewa)	9.0	9.0	9.1	0	-1.1
Fond du Lac (County)	10.4	10.7	10.4	2.8	0
Green Bay (Brown County)	22.6	22.5	22.0	0.4	2.7
Janesville (City)	10.9	10.9	10.7	0	1.9
Janesville-Beloit (Rock County)	18.7	18.6	18.7	0.5	0
Kenosha (County)	14.3	14.4	16.1	-0.7	-11.2
La Crosse (County)	10.4	10.5	10.6	-1.0	-1.9
Madison (Dane County)	21.0	20.6	19.6	1.9	7.1
Manitowoc (County)	10.8	10.8	11.3	0	-4.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.2	169.8	174.4	0.2	-2.4
Racine (County)	25.2	25.4	25.5	-.8	-1.2
Sheboygan (County)	18.2	18.4	18.6	-1.1	-2.2
Wausau (Marathon County)	11.4	11.5	11.0	-.9	3.6

EXTENDED UNEMPLOYMENT—THE QUIET CRISIS

by Stephen B. Blumenfeld

On April 4th, President Reagan signed into law a bill phasing out supplemental compensation for the long-term unemployed. The supplemental aid program had provided between eight and 14 additional weeks of benefits to about 320,000 unemployed workers across the country who had exhausted other jobless benefits to which they were entitled under the permanent federal-state system.

The Federal Supplemental Compensation (FSC) program was begun in 1982 as a temporary anti-recession measure. It added a third tier to the basic federal-state Unemployment Insurance (UI) system. The first tier is state Unemployment Compensation (UC), which provides up to 26 weeks of benefits. Additional payments of up to 13 weeks are provided under the federal-state Extended Benefits (EB) program, the second tier, which was created to provide aid in times of economic distress. However, such benefits are triggered by the artificially restrictive Insured Unemployment Rate (IUR), which excludes long-term unemployed persons and is appreciably lower than a state's official Total Unemployment Rate (TUR). At the end of this February, only two states and Puerto Rico qualified for EB.

How has the State of Wisconsin faired with regard to the crisis of long-term unemployment?

A comparison of unemployment figures for Wisconsin over the past ten years reveals a significant increase in the ranks of long-term jobless (see Table 1). In 1975, of the average monthly total of 1,603,428 workers covered by the state U.C. law, 99,413, or 6.2 percent, received benefits. Last year, 60,833 of the average monthly total of 1,844,946 covered workers - 3.3 percent -received benefits under the current program. At first glance, these figures appear to indicate a sharp decline in the number of unemployed persons in Wisconsin; however, in reality, the state's TUR was actually .9 of a percentage point higher in 1984 than in 1975!

Labor force data from the Current Population Survey (CPS) indicate that approximately 176,000 Wisconsin workers over 16 years of age were officially unemployed during the average month last year. Thus, the average monthly total of 60,833 workers actually receiving U.C. benefits under the Wisconsin law represents only 34.7 percent of those officially unemployed in the state during 1984.

A key indicator of the severity of unemployment is the length of time that workers are unable to find jobs (see Table 2). Although the annual average percentage of persons unemployed in Wisconsin for more than the 26-week basic coverage period under the state's U.C. law fell from 30.8 in 1983 to 24.0 in 1984, that figure is still nearly 20 percentage points higher than the prerecession figure of 4.1 percent for 1979. In the past five years, the annual average number of persons out of work for more than six months in Wisconsin increased by 247 percent (from 17,069 in 1980 to 42,240 in 1984).

Throughout the nation, the 1981-82 recession resulted in levels of long-term unemployment far greater than any experienced in the last 50 years.

Even though the problem of long-term unemployment is present during periods of expansion as well as during recessionary times, the focus during "good" times shifts to the structurally ("hard-core") unemployed.

Long-term joblessness can have profound financial, emotional and even physical consequences for the unemployed and their families. Hardest hit by the crisis of long-term unemployment are racial minorities, due, in part, to their higher probability of becoming unemployed in the first place. Researchers attribute the lower duration of unemployment for women and youths to the greater tendency among these groups to withdraw from the work force and not to any greater success in finding employment!

For most of the long-term jobless during the past three years, the third tier of the unemployment safety net, Federal Supplemental Compensation (FSC) provided the only benefits received after the initial 26 weeks of unemployment.

Considerable debate over ways in which future additional assistance may be provided for long-term unemployed workers has taken place in Congress during recent months. Opponents of extending the FSC program, including the Reagan administration, claimed that continuation of supplemental aid could not be justified during a time of economic expansion and when there exists considerable public pressure to curtail federal expenditures.

Nevertheless, several recent efforts to force future consideration of aid for the long-term unemployed have been made. One such step was the March 28th approval by the House Ways and Means Public Assistance Subcommittee of a measure aimed at simplifying and revamping the existing system by replacing EB and FSC with a single program that would use a state's TUR rather than relate solely to the IUR. The Reagan administration, however, maintains that the UI system was intended to provided assistance only to workers who face temporary, short-term unemployment and is not the appropriate means for dealing with the needs of the long-term jobless.

Thus, the dilemma of the long-term unemployed is a continuing problem and one which is becoming of growing concern. Government policies aimed at promoting full employment and providing jobs - both in the public and private sectors - are essential. However, in the absence of adequate opportunities in the job market, increased benefit protection for the jobless through the Unemployment Compensation system is necessary. More adequate protection is essential not only for the unemployed themselves but also for their families and for those communities hit hardest by the recent recession, the worst to hit this nation since the Great Depression.

TABLE 1

WISCONSIN UNEMPLOYMENT RATES

	Total Unemployment Rate (TUR)	Insured Unemployment Rate (IUR)	Gap Between TUR and IUR
1975	7.0%	6.2%	.8%
1976	5.6%	4.4%	1.2%
1977	4.9%	3.7%	1.2%
1978	4.7%	2.8%	1.9%
1979	4.5%	3.0%	1.5%
1980	7.0%	5.4%	1.6%
1981	7.8%	4.9%	2.9%
1982	10.7%	6.8%	3.9%
1983	10.4%	5.1%	5.3%
1984	7.9%	3.3%	4.6%

Note: The Insured Unemployment Rate (IUR) is determined by dividing the "Completed Weeks of Unemployment, "which is an estimate of the number of insured workers receiving state-funded Unemployment Compensation in a given week, by Wisconsin's average monthly covered employment. The IUR measures only the joblessness among those workers who are covered by and are receiving state-funded benefits under the Wisconsin Unemployment Compensation Law. Because some workers are not covered by the state program, the IUR should not be misconstrued to be an indicator of the unemployment rate among the total civilian labor force.

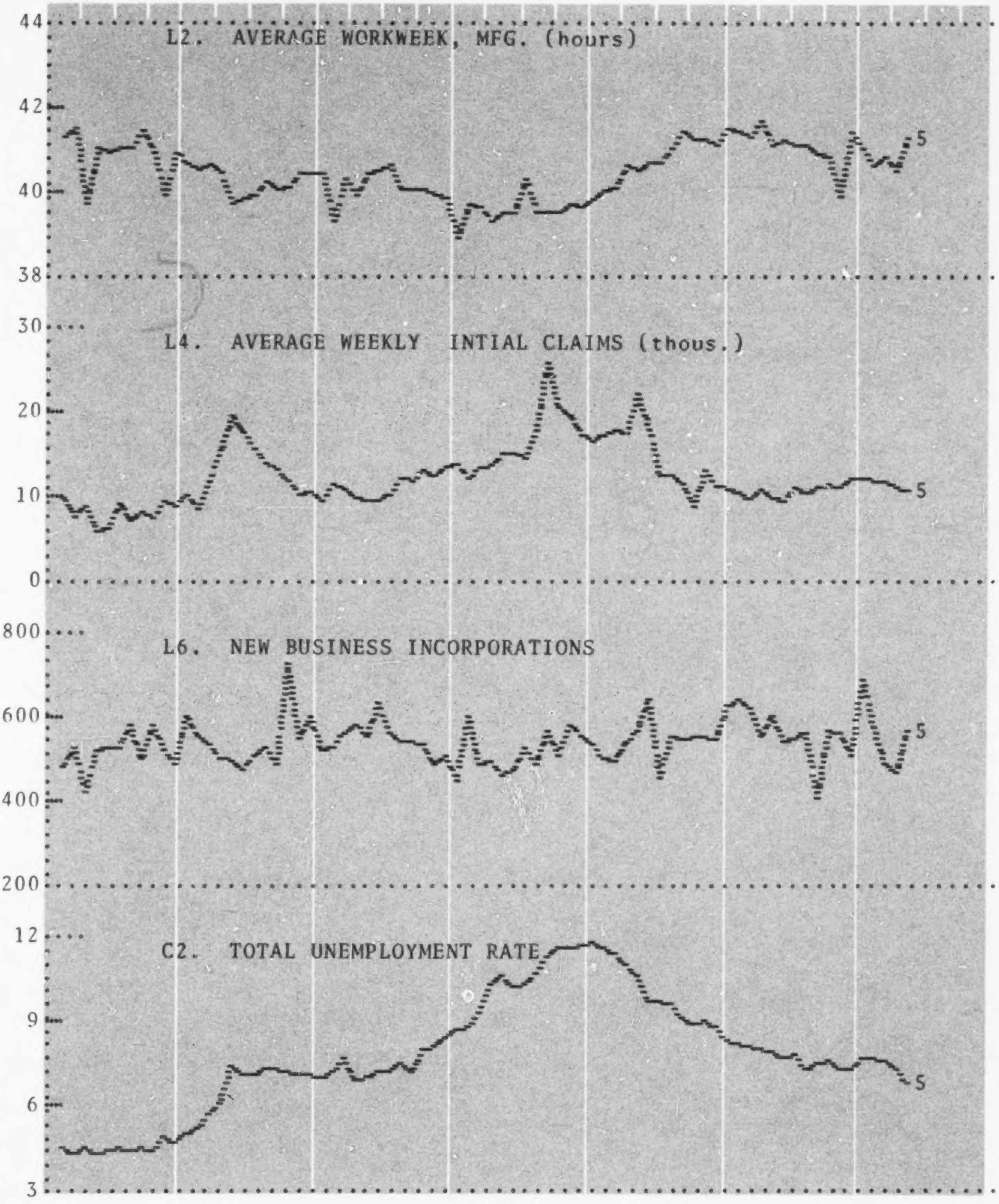
TABLE 2

WISCONSIN: UNEMPLOYED PERSONS BY DURATION OF UNEMPLOYMENT (ANNUAL AVERAGES)

		Percentages		
Number (In thous.)		Less Than 15 weeks	15-26 weeks	27 weeks and over
1975	148	70.5%	15.6%	13.8%
1976	122	62.6%	15.2%	22.2%
1977	109	73.9%	13.1%	12.9%
1978	57	79.7%	9.9%	10.4%
1979	51	87.4%	8.5%	4.1%
1980	169	73.9%	16.0%	10.1%
1981	185	66.0%	15.8%	18.2%
1982	261	61.2%	16.0%	22.8%
1983	254	55.1%	14.1%	30.8%
1984	176	64.6%	11.4%	24.0%

Note: Items may not add to 100% because of rounding.

CYCLICAL INDICATORS



Section

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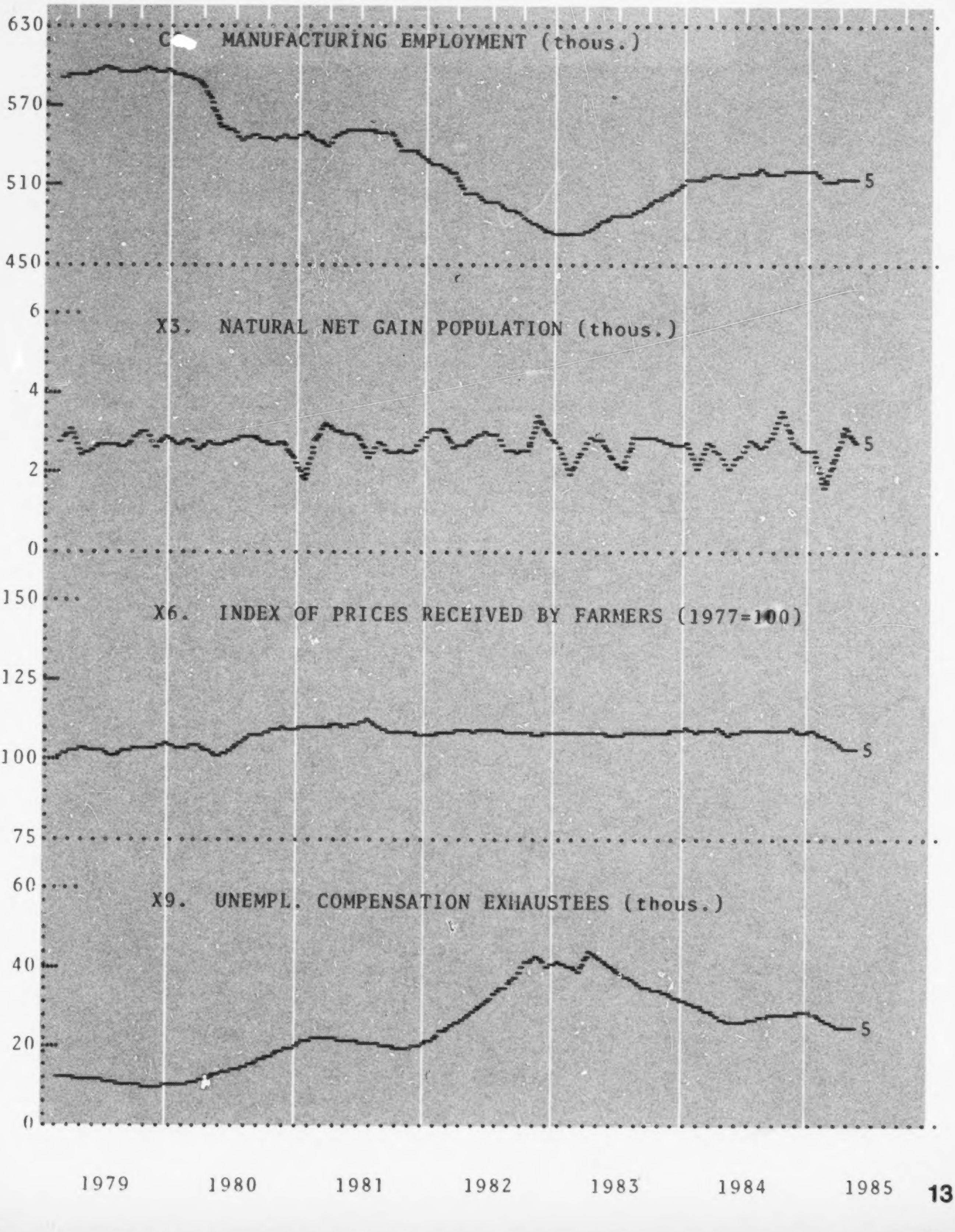
CYCLICAL INDICATORS



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WISCONSIN ECONOMIC INDICATORS

JULY 1985

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	**SOURCE**
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR JUNE

THE COMPOSITE INDEX OF LEADING INDICATORS FOR WISCONSIN WAS DOWN IN JUNE, BUT ONLY SLIGHTLY. THE EMPLOYMENT LEVEL IS UP, BUT THERE WAS A SMALLER THAN USUAL GROWTH IN THE LABOR FORCE.

LEADING INDICATORS

Wisconsin manufacturing workers spent more time on the job. The average number of hours worked per week by production workers increased in June by 2-tenths of an hour. Longer workweeks are normal for June. However, this June's increase was slightly below the seasonally adjusted pace.

At the same time, the number of workers employed in manufacturing, throughout the state, increased by over 11 thousand, an above normal increase. Thus, total production time - workers times hours - increased at an above normal rate.

The average number of overtime hours worked per week remained the same in June as one month earlier. Overtime usually increases in June. And, while more manufacturing workers are employed, negating costly overtime, the above normal employment level may be due to earlier-than-normal food processing. That would overstate Wisconsin's manufacturing condition in June.

The average number of weekly initial claims for unemployment compensation decreased in June. The decrease in the statewide average is small, but is significant because claims usually increase during that month. Claims growth and employment growth can occur together. Much of the summer rise in the employment level is in seasonal industries, and can go on while permanent employees in year-around industries are laid off.

The number of job openings received by Job Service offices throughout the state decreased in June. The job openings placed by employers usually increases in June along with normal June hiring.

New business incorporation decreased this month, but only slightly -six fewer than one month ago. Incorporations normally increase in June, but the normal seasonal difference between May and June is slight.

The net gain in business telephone access lines grew at well above the seasonal trend for June. The access line figure excludes extensions to already existing access lines, thus, is an indicator of growth in the number of business places.

Building plans examined remained at a high level - even for this time of the year. June's plans examined numbered only three fewer than the previous month's inspections. But, the two month's levels are both well above the normal for early summer. The plans include only industrial and commercial building projects.

WISCONSIN LABOR FORCE

While the level of total employment rose by over 16 thousand from May to June, the increase was weak for that time of the year. June is normally one of the state's busiest hiring periods, but this June's employment growth was not up to the growth experienced in the past several years.

Unemployment also increased in June. The increase was modest - 8,400 more jobless workers. That is below the normal May-to-June trend for unemployment.

What kept unemployment from growing at the normal mid-June pace is sluggish growth of the labor force. The number of labor force attached increased by just under 25 thousand in June, well under the normal trend for this time of year.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	80.0 Jun	83.0	68.1	-3.6	17.5	70.1
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.3 Jun	41.1	41.3	0.5	0.0	41.1
Seasonally Adjusted		41.2	41.3	41.2	-0.2	0.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.2 Jun	3.2	3.2	0.0	0.0	3.2
Seasonally Adjusted		3.3	3.5	3.3	-5.7	0.0	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	7,883 Jun	8,190	8,306	-3.7	-5.1	10,817
Seasonally Adjusted		9,113	10,678	9,604	-14.7	-5.1	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	8,251 Jun	9,359	9,230	-11.8	-10.6	8,694
Seasonally Adjusted		7,481	9,078	8,367	-17.6	-10.6	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	592 Jun	598	573	-1.0	3.3	562
Seasonally Adjusted		561	571	542	-1.8	3.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2,558 Jun	1,947	1,717	31.4	49.0	328
Seasonally Adjusted		1,168	994	206	17.5	467.0	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	623 Jun	626	515	-0.5	21.0	487
Seasonally Adjusted		445	589	368	-24.4	20.9	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	57 Jun	49	52	16.3	9.6	52
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.5 Jun	6.2	6.9	–	–	7.4
Seasonally Adjusted		6.7	6.9	7.7	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	113.7 Jun	145.1	120.8	-21.6	-5.9	252.5
Seasonally Adjusted		229.7	198.8	244.1	15.5	-5.9	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	20,801 Jun	22,097	20,272	-5.9	2.6	16,066
Seasonally Adjusted		14,560	19,891	14,190	-26.8	2.6	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1858.5 Jun	1883.0	1874.3	-1.3	-0.8	1865.8
Seasonally Adjusted		1851.1	1949.3	1867.4	-5.0	-0.9	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	501.8 Jun	122.4	77.4	310.0	548.3	89.4
Seasonally Adjusted		586.9	97.9	90.5	499.5	548.5	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	521.4	Jun	510.2	520.4	2.2	0.2	518.3
Seasonally Adjusted		518.8		515.9	518.0	0.6	0.2	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	422.91	Jun	424.56	412.59	-0.4	2.5	412.46
Seasonally Adjusted		422.0		424.56	411.96	-0.6	2.5	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.9	Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	64.0	Jun	62.4	60.7	2.6	5.4	58.3
Seasonally Adjusted		58.9		61.8	55.9	-4.7	5.4	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,015	Jun	6,515	5,721	-7.7	5.1	6,101
Seasonally Adjusted		6,157		6,193	5,853	-0.6	5.2	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	2,958	Jun	3,412	3,313	-13.3	-10.7	3,438
Seasonally Adjusted		3,091		3,335	3,461	-7.3	-10.7	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,057	Jun	3,103	2,408	-1.5	27.0	2,663
Seasonally Adjusted		3,129		2,734	2,464	14.4	27.0	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,763	Jun	3,927	4,600	21.3	3.5	3,420
Seasonally Adjusted		3,505		2,995	3,385	17.0	3.5	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	330.9	May	(Mar) 327.8	320.5	0.9	3.2	320.6
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	129	Jun	131	143	-1.5	-9.8	144
Seasonally Adjusted		129		130	143	-0.8	-9.8	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	561	Jun	-2,441	320	123.0	75.3	750
Seasonally Adjusted		1,981		1,846	69	7.3	2771.0	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	0	Jun	504	299	–	–	520
Seasonally Adjusted		0		679	253	–	–	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		28,800	Jun	29,334	30,035	-1.8	-4.1	28,186
Seasonally Adjusted		25,219		24,880	26,289	1.4	-4.1	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2407.1	2382.4	2416.0	1.0	-0.4
Employment (Inc. Labor Disputes)	2250.0	2233.6	2250.0	0.7	0.0
Unemployment	157.2	148.8	166.0	5.6	-5.3
Unemployment Rate	6.5	6.2	6.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2380.9	2389.3	2425.0	-0.4	-1.8
Employment (Inc. Labor Disputes)	2220.6	2225.5	2238.8	-0.2	-0.8
Unemployment	160.3	163.8	186.2	-2.1	-13.9
Unemployment Rate	6.7	6.9	7.7	-	-

WISCONSIN EMPLOYMENT ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2015.6	1996.9	1959.5	0.9	2.9
Unadjusted					
Manufacturing	521.4	509.7	520.2	2.3	0.2
Mining	2.1	2.1	2.1	0.0	0.0
Contract Construction	64.0	62.4	60.7	2.6	5.4
Transportation and Public Utilities	91.7	92.1	90.3	-0.4	1.6
Elec., Gas and Sanitary Services	17.8	17.2	17.5	3.5	1.7
Wholesale Trade	101.4	101.5	101.4	-0.1	0.0
Retail Trade	376.8	372.4	357.5	1.2	5.4
General Merchandise	48.1	48.4	46.8	-0.6	2.8
Finance, Insurance and Real Estate	107.8	106.4	103.0	1.3	4.7
Banking	29.1	28.5	27.8	2.1	4.7
Insurance	34.0	33.7	32.5	0.9	4.6
Service and Miscellaneous	424.5	420.0	408.6	1.1	3.9
Hospitals	67.6	67.5	70.3	0.1	-3.8
Private Education	22.7	24.7	22.7	-8.1	0.0
Government	325.8	330.3	315.8	-1.4	3.2
State Government	79.2	85.1	76.6	-6.9	3.4
Local Government	218.7	217.8	212.1	0.4	3.1

UNITED STATES LABOR FORCE ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	114,783	115,373	113,619	-0.5	1.0
Employment	106,370	106,960	105,391	-0.6	0.9
Unemployment	8,413	8,413	8,228	0.0	2.2
Unemployment Rate	7.3	7.3	7.2	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* JUNE	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	521.4	509.7	520.2
All Manufacturing (Excluding Canning)	510.0	502.7	512.8
Durable Goods	320.1	317.3	323.1
Lumber and Wood Prod., (Except Furniture)	22.2	21.5	22.7
Sawmills and Planning Mills	3.3	3.3	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.3	9.6	10.2
Furniture and Fixtures	11.5	10.8	9.8
Household Furniture	5.2	4.7	4.4
Stone, Clay and Glass Products	7.6	7.3	7.7
Concrete, Gypsum and Plaster Products	3.2	3.0	3.1
Primary Metal Industries	20.2	20.0	20.4
Iron and Steel Foundries	11.2	11.1	11.4
Fabricated Metal Products	49.8	49.1	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.0	4.9	5.8
Fabricated Structural Metal Products	11.9	11.8	11.8
Metal Stampings	12.0	11.9	12.6
Machinery (Except Electrical)	101.9	101.9	101.0
Engines and Turbines	19.3	19.4	20.4
Farm Machinery and Equipment	12.3	12.7	13.3
Const., Min. & Material Handling Mach. & Equip.	10.7	10.8	11.2
Metalworking Machinery and Equipment	12.0	12.0	11.2
Special Industry Machinery (Except Metalworking)	11.4	11.2	10.7
General Industrial Machinery and Equipment	15.2	15.2	14.8
Service Industry Machines	7.9	7.8	7.9
Electrical Machinery, Equipment and Supplies	50.4	50.2	52.9
Electrical Industrial Apparatus	18.2	18.2	18.5
Household Appliances	6.7	6.6	7.2
Transportation Equipment	35.6	35.4	36.3
Motor Vehicles and Equipment	28.3	28.3	29.9
Instruments and Related Products	10.4	10.4	10.7
Miscellaneous Manufacturing	10.6	10.6	10.1
Nondurable Goods	201.3	192.5	197.2
Food and Kindred Products	64.5	58.2	60.6
Meat Products	14.3	13.7	14.4
Dairy Products	19.0	18.1	18.0
Canning and Preserving	11.4	7.0	7.5
Bakery Products	3.8	3.7	4.2
Beverage Industries	8.2	8.0	9.1
Textile Mill Products	5.1	5.0	4.9
Knitting Mills	4.3	4.2	4.1
Apparel and Other Finished Products	6.6	6.4	6.8
Paper and Allied Products	48.6	46.9	48.6
Pulp and Paper Mills	30.7	29.4	30.5
Converted Paper and Paperboard Products	9.6	9.5	9.7
Paperboard Containers and Boxes	7.2	6.9	7.1
Printing, Publishing and Allied Industries	37.8	37.5	36.7
Newspapers	11.9	11.8	11.4
Commercial Printing	15.8	15.7	15.5
Chemicals and Allied Products	9.9	10.0	10.0
Rubber and Misc. Plastics Products	21.0	20.8	21.0
Miscellaneous Plastics Products	16.8	16.6	16.4
Leather and Leather Products	7.4	7.4	8.3
Leather Tanning and Finishing	2.0	2.0	2.1
Footwear (Except Rubber)	3.8	3.8	4.4
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$423	$425	$413	41.3	41.1	41.3
All Manufacturing (Excl. Canning)	428	427	415	41.5	41.2	41.4
Durable Goods	438	437	422	41.6	41.3	41.4
Lumber/Wood Prod. (Exc. Furn.)	317	317	308	42.4	42.2	41.8
Furniture and Fixtures	299	298	309	40.0	40.4	41.7
Stone, Clay and Glass Products	397	400	405	41.9	42.5	42.5
Primary Metal Industries	411	405	411	41.4	40.9	42.5
Iron and Steel Foundries	410	393	431	40.8	39.2	43.4
Fabricated Metal Products	408	409	409	40.3	40.3	40.7
Fab. Structural Metal Prod.	443	437	432	43.1	42.9	42.9
Metal Stampings	396	398	374	39.2	39.2	38.3
Machinery (Except Electrical)	487	487	474	42.2	41.8	41.7
Engines and Turbines	491	534	481	39.2	41.6	40.3
Farm Machinery and Equip.	550	526	537	42.0	41.4	41.7
Const. and Related Mach.	484	480	509	41.2	41.2	42.3
Metalworking Mach. and Equip.	508	508	489	42.4	42.1	43.0
Spec. Ind. Mach. (Exc. Metal) .	496	490	478	43.6	43.3	43.4
Gen. Industrial Mach. and Equip.	488	486	486	40.7	40.5	41.6
Electrical Mach., Equip. and Supp.	406	391	394	40.5	39.5	41.3
Electrical Industrial Apparatus	423	412	434	40.6	39.7	42.8
Transportation Equipment	605	609	533	43.2	43.2	40.9
Instruments and Related Prod.	362	364	359	40.2	40.3	41.7
Nondurable Goods	398	405	398	40.9	40.9	41.2
Food and Kindred Products	364	388	373	39.5	40.2	39.3
Meat Products	345	352	356	39.3	39.3	38.8
Dairy Products	394	394	376	42.0	41.2	40.1
Textile Mill Products	288	293	276	40.6	40.4	40.9
Apparel and Other Fin. Prod.	248	245	235	40.7	39.7	38.4
Paper and Allied Products	532	527	499	46.0	45.5	45.0
Pulp and Paper Mills	569	573	537	46.6	46.8	46.2
Printing, Pub. and Allied Prod.	403	405	424	37.7	37.6	39.4
Chemicals and Allied Products	440	457	444	41.2	41.7	42.4
Rubber and Misc. Plastics Prod.	322	319	344	39.1	39.1	42.0
Leather and Leather Products.	255	254	261	39.0	39.0	39.0

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.24	10.33	9.99	9.88	9.96	9.63
All Manufacturing (Excl. Canning)	10.32	10.37	10.03	9.96	10.00	9.66
Durable Goods	10.54	10.59	10.19	10.25	10.27	9.87
Lumber/Wood Prod. (Exc. Furn.)	7.48	7.51	7.36	-	-	7.23
Furniture and Fixtures	7.47	7.38	7.40	7.29	7.22	7.34
Stone, Clay and Glass Products	9.47	9.42	9.53	9.23	9.18	9.37
Primary Metal Industries	9.93	9.91	9.67	9.58	9.60	9.26
Iron and Steel Foundries	10.04	10.03	9.93	9.75	9.79	9.51
Fabricated Metal Products	10.13	10.16	10.05	9.81	9.81	9.61
Fab. Structural Metal Prod.	10.28	10.18	10.07	9.87	9.68	9.64
Metal Stampings	10.10	10.16	9.77	9.92	10.00	9.58
Machinery (Except Electrical)	11.55	11.64	11.37	11.25	11.27	11.06
Engines and Turbines	12.52	12.83	11.93	12.23	12.31	11.67
Farm Machinery and Equip.	13.09	12.71	12.88	12.75	12.38	12.62
Const. and Related Mach.	11.75	11.66	12.03	11.52	11.45	11.82
Metalworking Mach. and Equip.	11.99	12.07	11.38	11.54	11.64	10.82
Spec. Ind. Mach. (Exc. Metal) .	11.38	11.31	11.02	10.89	10.83	10.49
Gen. Industrial Mach. and Equip.	11.98	12.01	11.68	11.67	11.75	11.27
Electrical Mach., Equip. and Supp.	10.02	9.91	9.53	9.77	9.72	9.28
Electrical Industrial Apparatus	10.41	10.38	10.15	10.21	10.21	9.87
Transportation Equipment	14.01	14.10	13.02	13.45	13.50	12.49
Instruments and Related Prod.	9.01	9.03	8.62	8.87	8.84	8.29
Nondurable Goods	9.74	9.89	9.66	9.28	9.43	9.22
Food and Kindred Products	9.22	9.64	9.48	8.75	9.14	9.08
Meat Products	8.77	8.96	9.17	8.45	8.55	8.91
Dairy Products	9.39	9.57	9.38	8.95	9.10	8.96
Textile Mill Products	7.10	7.24	6.76	6.84	6.98	6.54
Apparel and Other Fin. Prod.	6.10	6.18	6.13	5.90	6.03	5.99
Paper and Allied Products	11.56	11.58	11.09	11.02	11.04	10.58
Pulp and Paper Mills	12.21	12.25	11.62	11.66	11.66	11.10
Printing, Pub. and Allied Prod.	10.68	10.76	10.76	10.23	10.32	-
Chemicals and Allied Products	10.68	10.95	10.47	10.42	10.63	10.19
Rubber and Misc. Plastics Prod.	8.23	8.15	8.18	7.96	7.91	7.79
Leather and Leather Products.	6.54	6.51	6.70	6.33	6.37	6.57

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. **Production Workers** *(Unadjusted)* JUNE	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$386	$382	$373	40.6	40.3	40.8	9.50	9.48	9.15	–	–
Wisconsin	423	425	413	41.3	41.1	41.3	10.24	10.33	9.99	9.88	9.96
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	430	428	412	43.0	42.5	42.5	9.99	10.08	9.70	9.55	9.69
Beloit (City)	354	359	367	37.8	38.2	39.6	9.36	9.41	9.27	–	–
Eau Claire (Eau Claire-Chippewa)	422	435	424	40.3	41.4	42.1	10.46	10.50	10.06	10.01	10.04
Fond du Lac (County)	353	379	386	39.8	42.2	42.4	8.87	8.97	9.09	8.66	8.66
Green Bay (Brown County)	459	460	448	41.5	41.0	42.4	11.05	11.22	10.56	10.42	10.54
Janesville (City)	557	629	548	40.9	44.4	41.9	13.63	14.16	13.09	13.32	13.62
Janesville-Beloit (Rock County)	482	524	466	40.2	42.2	40.7	11.98	12.42	11.45	11.63	11.83
Kenosha (County)	515	516	463	40.7	40.9	39.3	12.65	12.62	11.77	12.30	12.40
La Crosse (County)	356	356	337	37.4	38.2	37.8	9.52	9.32	8.91	9.07	8.87
Madison (Dane County)	387	400	399	40.6	41.3	40.4	9.52	9.69	9.88	9.09	9.24
Manitowoc (County)	376	377	358	40.2	40.2	40.3	9.35	9.38	8.88	9.12	9.15
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	474	470	465	41.2	40.7	41.8	11.51	11.55	11.13	11.01	11.02
Racine (County)	419	414	417	39.5	38.8	39.9	10.62	10.67	10.46	10.39	10.41
Sheboygan (County)	378	383	386	39.3	39.2	40.0	9.61	9.77	9.64	9.31	9.48
Wausau (Marathon County)	420	401	397	44.1	42.3	42.9	9.52	9.47	9.26	9.13	9.10

EMPLOYMENT, MFG. *(Unadjusted)* JUNE	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,524.0	19,409.0	19,585.0	0.6	-0.3
Wisconsin	521.4	509.7	520.2	2.3	0.2
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.1	46.5	47.2	3.4	1.9
Beloit (City)	5.7	5.7	5.8	0.0	-1.7
Eau Claire (Eau Claire-Chippewa)	9.1	8.9	9.4	2.2	-3.2
Fond du Lac (County)	10.8	10.4	10.9	3.8	-0.9
Green Bay (Brown County)	23.7	22.6	22.7	4.9	4.4
Janesville (City)	10.9	10.9	10.8	0.0	0.9
Janesville-Beloit (Rock County)	18.9	18.7	19.0	1.1	-0.5
Kenosha (County)	14.1	14.3	16.5	-1.4	-14.5
La Crosse (County)	10.4	10.3	10.9	1.0	-4.6
Madison (Dane County)	21.5	20.8	20.2	3.4	6.4
Manitowoc (County)	11.0	10.8	11.3	1.9	-2.7
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.8	170.2	175.1	0.4	-2.5
Racine (County)	25.3	25.3	25.9	0.0	-2.3
Sheboygan (County)	19.2	18.5	19.1	3.8	0.5
Wausau (Marathon County)	11.8	11.5	11.3	2.6	4.4

MAJOR EMPLOYMENT AND TRAINING CHALLENGES OVER THE NEXT DECADE

by August L. Cibarich

Our changing mix of industry and the lack of substantial employment growth beyond 1979 levels has had an impact on a number of other social and economic factors in our state. A year ago nine developments or issues were presented as major factors expected to influence employment and training and economic development efforts in the next decade. Excerpts are presented below along with several additional issues.

COMPUTERS ON THE FACTORY FLOOR

The robots are coming! The robots are coming! Actually, the message should be - the computers are coming! Robots are expected to amount to only 15 percent of the factory computer revolution known as computer assisted or aided manufacturing (CAM).

In brief, the short-term impact of the changes will be the creation of a number of jobs building, installing and maintaining the automated equipment. The immediate on-site impact will be the elimination of large numbers of semi-skilled operators and inspectors' jobs and further reductions in the number of "unskilled" material handling, feeding and offbearing type jobs. The impact on "skilled" jobs is not clear. Several hundred thousand jobs in Wisconsin industries are susceptible to this reduction while the eventual number of "created" jobs is much more difficult to estimate.

THE FUNCTIONAL ILLITERATES

Much has been said and much has been spent to assist high school dropouts in the last two decades, yet the pool of unemployed and discouraged semi-illiterate and functional illiterates remains.

The difficulties associated with helping this group of citizens become self-sufficient, contributing members of society will be greatly increased by the use of "Computers On the Factory Floor."

The ability to give instructions to a computer will replace the pushing or pulling of levers, turning over of a part and visually inspecting it.

Leaving school without an adequate command of language skills greatly reduces or eliminates the ability of a worker to program, install, service and maintain computers. Thus, reducing functional illiteracy takes on even greater urgency in the next decade.

THE GROWTH OF TECHNICAL WORK

The need to develop more workers with specific technical skills stands out as an opportunity the state must grasp to maintain its industrial base. Changes in the technical specialties needed and the content of jobs and training needs will be rapid.

Wisconsin has a head start over other states in our system of technical colleges and institutes. Most states have an extensive community college system which they must redirect to the technical education effort while Wisconsin already has such a system.

THE NON-TECHNICAL COLLEGE HARVEST

The number of college educated job seekers has increased enormously over the last several decades. This increase occurred as an article of faith in the future, with little tangible evidence that the work place needed or could, in fact, absorb the vast army of graduates that would leave our college campuses. In recent years, each succeeding class of students has graduated with a larger average debt associated with its education. Thus, relating college level education to work-force-needs has taken on increasing relevance with every passing year.

Many graduates have not found employment that is commensurate with their educational levels. Exactly how large is the underemployment of college graduates? No one really knows.

THE PEOPLE WORK EXPLOSION

Jobs working with "people" have been expanding at a rapid pace in the last several decades. The expansion has occurred in the entire spectrum of occupations including those occupations which contain a very significant "data" involvement. Literally tens of millions of these jobs were "created" in the last two decades nationwide and several hundred thousand were created in our state.

The issue for the next decade will be the extent to which "people" jobs will continue to provide additional jobs. Hints of the reduction in the growth rate are evident in the recent decline in hospital employment. This is an area of work that provided much of the job growth. Recently, job growth outside of hospitals has continued in the health care field, but has only balanced out the job losses in hospitals.

Another hint of a slowdown and possible flattening of growth trends has occurred in "people" jobs in the Retail Trade industry during the recessionary years from 1980 to 1983.

Four straight years of slight declines in Retail Trade employment occurred. While recovery in 1984 has been extensive, the "topping out" of long term job growth in Retail Trade employment must be considered one of the next decade's distinct possibilities.

THE RATIONING OF JOBS AND WAGES

Concern and a desire to improve the lives of the disadvantaged and others with special needs became national goals in the 1960's when unemployment levels were much lower.

Turning a dependent person into a self-supporting individual reduced taxes and met employers needs for workers.

In today's much harsher world, with much higher unemployment rates and general surpluses of workers, these very same efforts are today a form of rationing. Competing programs, agencies and individuals in a jobs-short work world that is likely to continue into the nineties, complicates the task of aiding the disadvantaged and has turned some employment and training efforts into a set of rationing systems.

Another major issue is that of wages. Equal pay for equal work is becoming equal pay for "comparable worth". Defining comparable worth could become the most complicated issue in the next decade. No comprehensive standardization of work measures is now occurring because of the closing of U.S. Department of Labor funded Occupational Analysis Field Centers, which defined job skills. Standards for measuring jobs may, by default, become the prerogative of the legal profession.

TRI-WORKER FAMILIES

Much has been said about the two-worker family, where both the husband and wife must work to live at a desired standard. Life styles have sharply changed, with extensive social and economic consequences. The implication of long-term growth of lower paying service jobs and the hastened decline of higher paying jobs is likely to magnify problems beyond those resulting from growth of the two-worker family.

In Hawaii, long a service-oriented economy, it is said two-worker families are not enough. To live there, high living costs and low paying service jobs require more than two workers per family. The social and economic realities of increasing numbers of tri-worker families, nationwide, should be a major issue in the next decade.

PAYING BACK THE DEBT

In recent years, employment and training budgets have been limited by budgetary restraints as the various government entities have "tightened their belts" by reducing rates of growth and, in some cases, actually reduced budgets in real dollar terms.

Recent federal deficits are the largest ever, consumer debt formation is very high and business borrowing very strong. Repayment of this government, consumer and business debt limits the ability of the economy to expand further, and will limit resources available to improve the labor marketplace during the next decade. The challenge is how to handle the labor problems of the next decade without increases in resources or with a reduction in resources.

THE SURGE IN ENTREPRENEURSHIP

In the last decade and one-half, a surge in entrepreneurship has occurred in the United States. This development had, to a large extent, gone unnoticed or had been ignored by employment and training professionals.

During the previous 15 years, employment in the top Fortune 1000 firms has gone down by six million, while total employment has increased by 35 million. High-tech employment is estimated to have provided six million new jobs in this period of time. Thus, 35 million jobs have been developed in medium and small size firms and sole proprietorships, other than "high tech" in nature.

Will this phenomenon continue over the next decade? How many more boutiques, fast food restaurants and convenience stores can our economy support? Can these small enterprises and sole proprietorships provide the job growth that employment in large businesses and government formerly provided? Are these "real jobs"? How much income is generated, and what is to be the future relationship between employment-and-training efforts and this development.

THE END OF RAPID INFLATION

During the lifetime of the vast majority of the people living in the industrialized nations, inflation was the economic experience. Our ideas were influenced most by rising prices and scarcity.

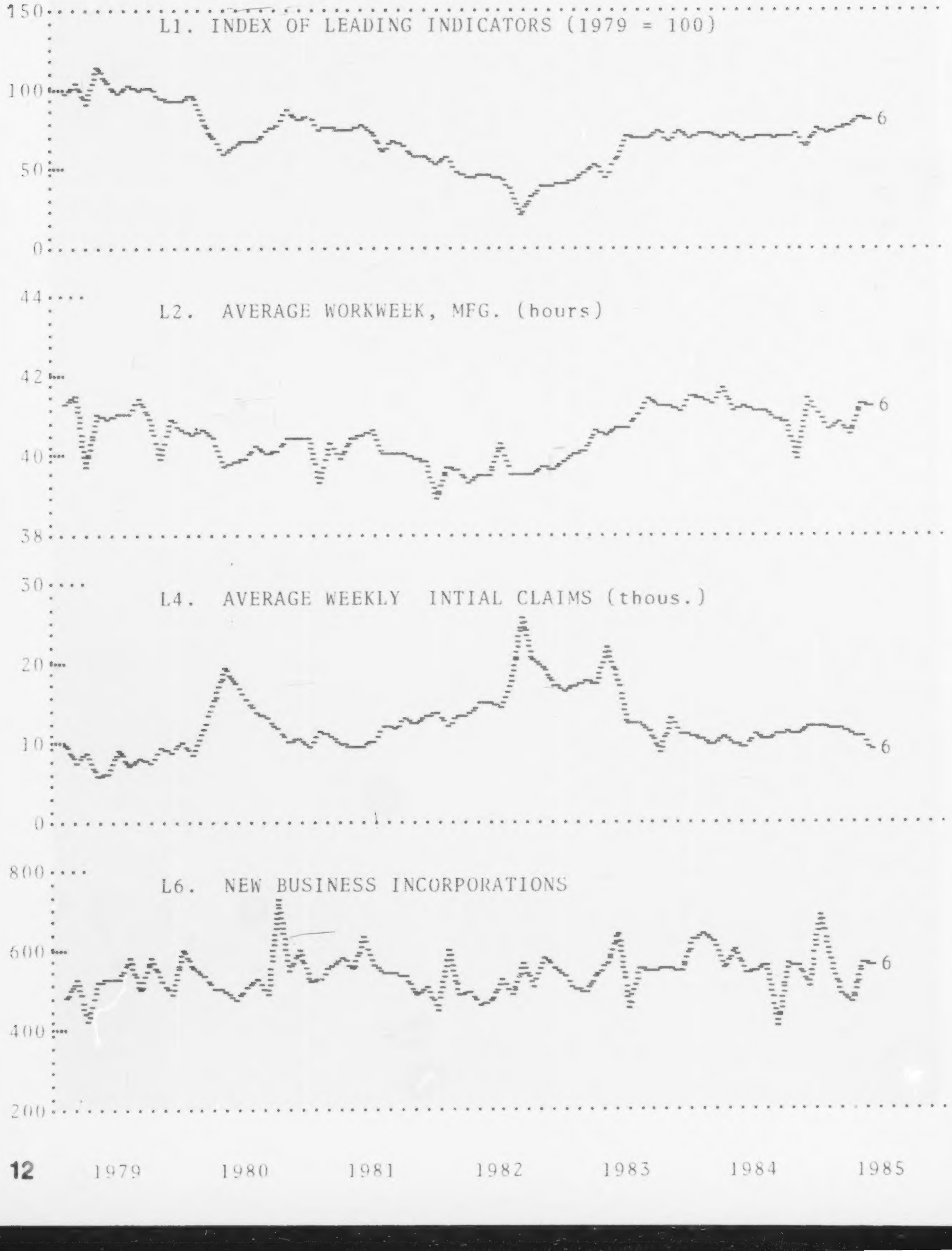
However, in recent years, farmers, bankers, miners and others, whether they be small or world-class in size, have been adversely affected by price deflation. Commodity prices generally and the prices of some finished goods have decreased in price. More price declines can be expected to follow since efforts to increase productivity, lower unit wage costs and increase production capacity have become worldwide developments. Today overcapacity appears to be a major force in the world's economy.

(Continued on back cover)

Section

D

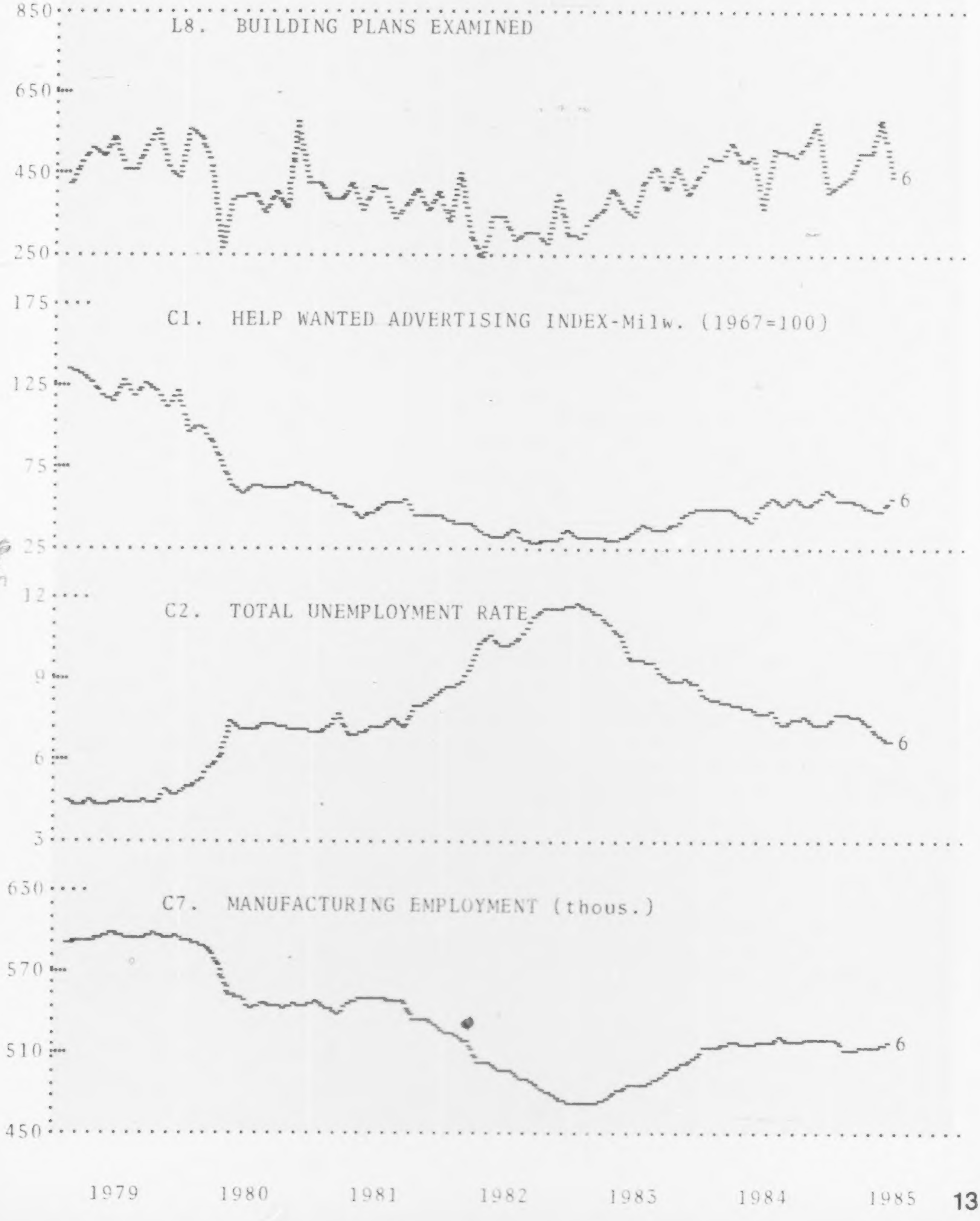
CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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Companies that cannot raise prices are generally unable to raise employes' wages unless workers become more productive.

In the short run, disruption and miscalculations will accompany the end of rapid inflation. In the long run, increased demand will eventually occur as increased productivity lowers prices and new products and services develop from innovations we do not now envision. Demand for labor will again increase.

We cannot limit our thinking to trends resulting from decades of inflation and product shortages when we attempt to estimate future employment and training needs.

YOUNG VS. OLD

One of the consequences of the shift from an inflationary economic environment to one of disinflation is a developing conflict of interest between younger and older individuals.

Maximum Social Security taxes are now many times the maximum paid by most retired workers. The system now must be supported by a much smaller number of current workers per recipient. That number will continue to decline.

The end of rapid asset appreciation, resulting from the taming of inflation and the lower interest levels for savings accounts, limits the ability of the young to accumulate a nest egg for retirement. Employment growth in lower paying industries and declines in higher paying industries limit the wages younger workers receive. On the positive side, the ability to shelter income from taxes to a future date, if invested in IRA's or other retirement plans, was not available to most of today's elderly until recently. These advantages must, however, be financed out of savings that may be difficult for youth to accumulate.

Earning less (in real, if not current terms) and asked to contribute a much higher percentage of their earnings to a safety net that will not directly benefit them for decades, younger workers can be expected to desire changes in this arrangement. Changes in the current relationships can be expected to affect employment and training. Raising the retirement age to reduce Social Security taxes on today's workers would also reduce the job openings that are created by an earlier retirement age.

A SMALLER SAFETY NET

As we switch from an inflationary economic environment to a disinflationary or deflationary one, the financial resources available for the socio-economic safety net stop increasing as well. The efforts to slow down or stop inflation, the reduction of reserves in government insurance accounts (such as unemployment-insurance reserves, bank failure reserves), and the federal deficit, have resulted in retrenchment from past levels of benefits. Current economic problems indicate that this trend towards the reduction of benefits will continue. The shrinking of the safety net increases the need for successful employment and training efforts.

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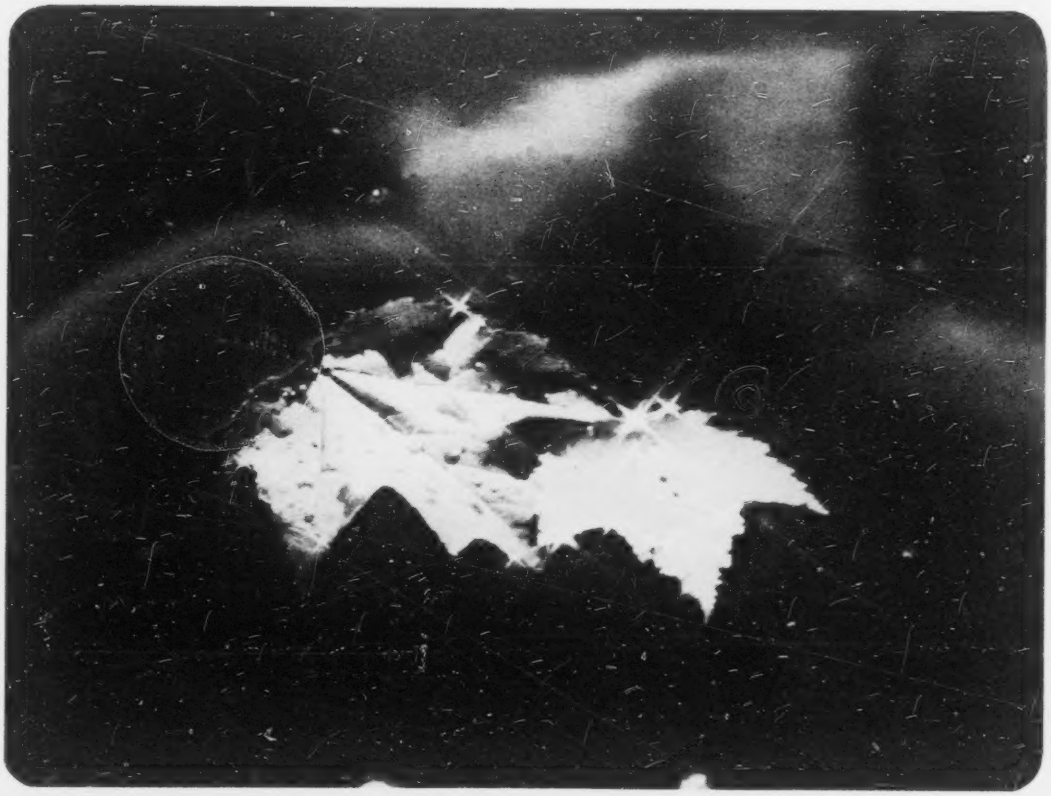
WISCONSIN ECONOMIC INDICATORS

AUGUST 1985



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR JULY

LEADING INDICATORS OF ECONOMIC ACTIVITY THROUGHOUT THE STATE WERE MOSTLY NEGATIVE IN JULY. WISCONSIN'S LABOR FORCE DECREASED AND THE UNEMPLOYMENT RATE ROSE SLIGHTLY.

LEADING INDICATORS

Slightly fewer hours were spent on the job by production workers in Wisconsin's manufacturing industries. The manufacturing workweek normally does decrease a bit from June to July; so when adjusted for seasonal variation, the average number of hours worked per week maintained an even trend.

A slight increase, in the same period, of average weekly overtime hours was typical of the normal seasonal pattern. An increase of the overtime average is possible with a decline in the total workweek average. The state's food processing industry, which added seasonal workers rather than overtime, shortened the total manufacturing workweek average. The remaining manufacturing industries lost employment, but stretched the workweek into overtime hours.

Growth in the number of average weekly initial claims for unemployment compensation brought the claims near to the year-ago level. Initial claims usually increase in July, but this month's increase is larger than normal. Somewhat alleviating the claims increase was an increase in the number of job openings received by state Job Service offices throughout the state. The job openings received, however, did not increase as much as is seasonally normal.

A decline in the number of new business incorporations kept the July trend even. New incorporations normally decline this month. June is historically the month with the highest average number of new business incorporations.

The net gain in business telephone access lines decreased in July, indicating a slackening of business place formation. A decrease is normal in July. In fact, the telephone access line decrease was less than normal, producing an upward trend in the seasonally adjusted figure.

Building plans examined by state officials for commercial and industrial structures decreased. A decrease is normal in July, but this decrease is more than seasonally normal. The plans examined level had been unusually high for the previous two months.

WISCONSIN LABOR FORCE

Total employment decreased throughout Wisconsin from June to July by over 14 thousand workers. Employment does usually weaken in July, but this month's decrease was much more than normal. The large employment decrease was local government losses - summer furloughs in jobs related to education. That is normal. However, other industries, which usually gain summer employment, did not take up the slack.

Total unemployment, which usually decreases slightly in July, increased slightly this month. Together with a labor force which diminished, the greater joblessness nudged up the unemployment rate. Wisconsin's labor force, the number of both those working and those looking for jobs, is about 11 thousand fewer than one year ago.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	77.3	Jul	80.0	69.6	-3.4	11.1	70.1
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	40.9	Jul	41.3	40.8	-1.0	0.2	41.1
Seasonally Adjusted		41.2		41.2	41.1	0.0	0.2	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.3	Jul	3.2	3.1	3.1	6.5	3.2
Seasonally Adjusted		3.4		3.3	3.2	3.0	6.2	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	9,951	Jul	7,883	10,025	26.2	-0.7	10,817
Seasonally Adjusted		11,069		9,113	11,151	21.5	-0.7	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	8,403	Jul	8,251	11,868	1.8	-29.2	8,694
Seasonally Adjusted		6,474		7,481	9,143	-13.5	-29.2	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	578	Jul	592	567	-2.4	1.9	562
Seasonally Adjusted		562		561	551	0.2	2.0	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,232	Jul	2,558	-2,805	-51.8	143.9	328
Seasonally Adjusted		1,402		1,168	155	20.0	804.5	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	501	Jul	623	586	-19.6	-14.5	487
Seasonally Adjusted		436		445	510	-2.0	-14.5	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	59	Jul	57	57	3.5	3.5	52
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.7	Jul	6.6	6.8	–	–	7.4
Seasonally Adjusted		6.9		6.7	7.8	–	–	
C3 NATURAL GAS SALES								
Unadjusted	MIL THERMS	113.7	Jun	145.1	120.8	-21.6	-5.9	252.5
Seasonally Adjusted		229.7		198.8	224.1	15.5	-5.9	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	20,424	Jul	20,801	15,127	-1.8	35.0	16,066
Seasonally Adjusted		21,289		14,560	15,757	46.2	35.1	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1858.5	Jun	1883.0	1874.3	-1.3	-0.8	1865.8
Seasonally Adjusted		1851.1		1949.3	1867.4	-5.0	-0.9	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	73.8	Jul	501.8	62.2	-85.3	18.6	89.4
Seasonally Adjusted		82.1		586.9	69.2	-86.0	18.6	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	522.3	Jul	522.0	527.6	0.1	-1.0	518.3
Seasonally Adjusted		513.1		519.4	518.1	-1.2	-1.0	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	416.36	Jul	423.33	405.14	-1.6	2.8	412.46
Seasonally Adjusted		423.13		421.49	411.90	0.4	2.7	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	458.9	Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5		443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	67.2	Jul	64.7	64.4	3.9	4.3	58.3
Seasonally Adjusted		59.5		59.6	57.1	-0.2	4.2	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,776	Jul	6,015	7,096	12.7	-4.5	6,101
Seasonally Adjusted		6,045		6,157	6,332	-1.8	-4.5	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,524	Jul	2,958	3,643	19.1	-3.3	3,438
Seasonally Adjusted		3,455		3,091	3,572	11.8	-3.3	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,252	Jul	3,057	3,453	6.4	-5.8	2,663
Seasonally Adjusted		2,681		3,129	2,846	-14.3	-5.8	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,869	Jul	4,763	4,639	2.2	5.0	3,420
Seasonally Adjusted		3,554		3,505	3,386	1.4	5.0	
X5 CONSUMER PRICE INDEX (MILW.)				(May)				
Unadjusted	INDEX	331.1	Jul	330.9	321.3	0.1	3.1	320.6
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	129	Jul	130	142	-0.8	-9.2	144
Seasonally Adjusted		131		130	144	0.8	-9.0	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-1,267	Jul	561	-1,413	144.3	10.3	750
Seasonally Adjusted		1,517		1,981	203	-23.4	647.3	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	598	Jul	0	119	-	402.5	520
Seasonally Adjusted		462		0	92	-	402.2	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		28,511	Jul	28,811	29,318	-1.0	-2.8	28,186
Seasonally Adjusted		26,014		25,229	26,756	3.1	-2.8	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2394.5	2407.3	2405.9	-0.5	-0.5
Employment (Inc. Labor Disputes)	2235.1	2249.3	2243.2	-0.6	-0.4
Unemployment	159.4	158.0	162.8	-0.6	-0.4
Unemployment Rate	6.7	6.6	6.8	–	–
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2371.5	2379.7	2426.8	-0.3	-2.3
Employment (Inc. Labor Disputes)	2208.9	2219.7	2238.7	-0.5	-1.3
Unemployment	162.6	160.0	188.1	1.6	-13.6
Unemployment Rate	6.9	6.7	7.8	–	–

WISCONSIN EMPLOYMENT ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1990.8	2014.5	1949.7	-1.2	2.1
Unadjusted					
Manufacturing	521.9	522.0	527.5	-0.0	-1.1
Mining	2.2	2.1	2.1	4.8	4.8
Contract Construction	67.2	64.7	64.4	3.9	4.3
Transportation and Public Utilities	88.7	91.6	87.2	-3.2	1.7
Elec., Gas and Sanitary Services	17.9	17.8	17.6	0.6	1.7
Wholesale Trade	101.3	101.6	101.9	-0.3	-0.6
Retail Trade	377.3	377.0	358.3	0.1	5.3
General Merchandise	48.1	48.0	46.9	0.2	2.6
Finance, Insurance and Real Estate	108.6	107.9	104.2	0.6	4.2
Banking	29.2	29.0	27.9	0.7	4.7
Insurance	34.0	34.0	32.5	0.0	4.6
Service and Miscellaneous	425.9	424.5	412.4	0.3	3.3
Hospitals	67.6	67.8	70.1	-0.3	-3.6
Private Education	21.5	22.4	21.9	-4.0	-1.8
Government	297.8	322.9	291.8	-7.8	2.1
State Government	77.1	79.1	74.5	-2.5	3.5
Local Government	192.6	216.0	189.9	-10.8	1.4

UNITED STATES LABOR FORCE ESTIMATES JULY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	155,314	114,783	113,868	0.5	1.3
Employment	106,862	106,370	105,377	0.5	1.4
Unemployment	8,451	8,413	8,491	0.5	-0.5
Unemployment Rate	7.3	7.3	7.5	–	–

MANUFACTURING EMPLOYMENT *(Unadjusted)* JULY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	521.9	522.0	527.5
All Manufacturing (Excluding Canning)	505.6	510.3	511.3
Durable Goods	316.0	320.1	322.2
Lumber and Wood Prod., (Except Furniture)	22.6	22.4	22.4
Sawmills and Planning Mills	3.3	3.3	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.2	10.1	10.2
Furniture and Fixtures	11.2	11.3	10.4
Household Furniture	4.7	5.0	4.6
Stone, Clay and Glass Products	7.6	7.6	7.7
Concrete, Gypsum and Plaster Products	3.3	3.2	3.2
Primary Metal Industries	19.4	20.2	20.2
Iron and Steel Foundries	10.8	11.2	11.4
Fabricated Metal Products	49.1	49.5	51.7
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.8	4.8	5.8
Fabricated Structural Metal Products	11.9	11.9	12.0
Metal Stampings	11.8	11.9	12.6
Machinery (Except Electrical)	100.7	101.8	101.7
Engines and Turbines	19.3	19.3	20.3
Farm Machinery and Equipment	12.1	12.3	13.6
Const., Min. & Material Handling Mach. & Equip.	10.4	10.7	11.1
Metalworking Machinery and Equipment	11.9	12.0	11.3
Special Industry Machinery (Except Metalworking)	11.2	11.4	10.9
General Industrial Machinery and Equipment	14.7	15.1	14.9
Service Industry Machines	7.9	7.9	7.9
Electrical Machinery, Equipment and Supplies	49.5	50.4	52.4
Electrical Industrial Apparatus	18.0	18.1	18.3
Household Appliances	6.5	6.7	7.0
Transportation Equipment	34.9	35.7	35.0
Motor Vehicles and Equipment	27.6	28.4	29.2
Instruments and Related Products	10.3	10.7	10.5
Miscellaneous Manufacturing	10.6	10.7	10.1
Nondurable Goods	205.9	202.0	205.3
Food and Kindred Products	70.0	64.7	69.7
Meat Products	15.0	14.4	14.6
Dairy Products	19.1	18.9	18.2
Canning and Preserving	16.3	11.7	16.2
Bakery Products	3.8	3.8	4.0
Beverage Industries	8.4	8.3	9.3
Textile Mill Products	5.1	5.1	4.9
Knitting Mills	4.3	4.3	4.1
Apparel and Other Finished Products	6.8	6.7	6.7
Paper and Allied Products	48.1	48.4	48.5
Pulp and Paper Mills	30.0	30.4	30.4
Converted Paper and Paperboard Products	9.8	9.7	9.6
Paperboard Containers and Boxes	7.2	7.1	7.2
Printing, Publishing and Allied Industries	38.0	38.1	36.7
Newspapers	11.8	11.9	11.4
Commercial Printing	15.9	16.1	15.6
Chemicals and Allied Products	10.2	10.1	10.1
Rubber and Misc. Plastics Products	21.0	21.1	20.5
Miscellaneous Plastics Products	16.9	17.0	16.1
Leather and Leather Products	6.3	7.3	7.8
Leather Tanning and Finishing	1.8	2.0	1.8
Footwear (Except Rubber)	3.1	3.8	4.2
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JULY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$416	$423	$405	40.9	41.3	40.8
All Manufacturing (Excl. Canning)	423	429	414	40.9	41.5	41.1
Durable Goods	428	440	420	40.7	41.7	41.0
Lumber/Wood Prod. (Exc. Furn.)	317	322	301	41.7	42.5	40.4
Furniture and Fixtures	293	301	308	39.5	40.5	41.0
Stone, Clay and Glass Products	411	401	402	43.5	42.6	42.6
Primary Metal Industries	405	409	406	40.8	41.3	41.8
Iron and Steel Foundries	412	408	421	41.2	40.7	42.7
Fabricated Metal Products	401	410	395	40.0	40.5	39.7
Fab. Structural Metal Prod.	424	442	421	42.4	43.0	42.1
Metal Stampings	387	396	374	38.4	39.4	38.4
Machinery (Except Electrical)	488	489	477	41.9	42.3	41.7
Engines and Turbines	547	496	544	43.1	40.1	43.8
Farm Machinery and Equip.	553	552	502	42.0	42.1	41.1
Const. and Related Mach.	493	484	483	41.7	41.2	41.3
Metalworking Mach. and Equip.	511	511	470	42.8	42.5	40.7
Spec. Ind. Mach. (Exc. Metal).	487	486	462	42.1	42.3	41.7
Gen. Industrial Mach. and Equip.	482	494	479	40.4	41.2	41.0
Electrical Mach., Equip. and Supp.	397	404	390	39.7	40.5	40.7
Electrical Industrial Apparatus	415	416	437	40.2	40.1	43.0
Transportation Equipment	564	615	549	40.6	43.8	41.4
Instruments and Related Prod.	335	360	341	37.4	40.0	40.5
Nondurable Goods	397	399	385	41.0	40.8	40.7
Food and Kindred Products	351	362	337	39.9	39.1	38.2
Meat Products	340	338	363	38.6	38.6	39.2
Dairy Products	399	398	373	41.4	41.9	40.6
Textile Mill Products	277	291	278	38.4	40.8	40.2
Apparel and Other Fin. Prod.	250	249	228	40.2	40.7	38.6
Paper and Allied Products	538	536	520	45.7	46.0	46.5
Pulp and Paper Mills	585	574	576	47.0	46.5	48.9
Printing, Pub. and Allied Prod.	419	403	416	38.9	37.7	38.6
Chemicals and Allied Products	434	444	432	40.7	41.5	41.5
Rubber and Misc. Plastics Prod.	326	322	324	39.1	39.1	40.3
Leather and Leather Products.	258	258	245	39.2	39.4	37.9

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JULY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.18	10.25	9.93	9.80	9.88	9.58
All Manufacturing (Excl. Canning)	10.35	10.33	10.07	9.96	9.96	9.71
Durable Goods	10.52	10.55	10.24	10.20	10.22	9.93
Lumber/Wood Prod. (Exc. Furn.)	7.59	7.58	7.46	7.45	7.47	7.33
Furniture and Fixtures	7.42	7.43	7.52	7.32	7.31	7.37
Stone, Clay and Glass Products	9.45	9.42	9.44	9.19	9.20	9.22
Primary Metal Industries	9.92	9.91	9.71	9.59	9.57	9.32
Iron and Steel Foundries	9.99	10.03	9.85	9.72	9.74	9.47
Fabricated Metal Products	10.03	10.12	9.94	9.70	9.78	9.50
Fab. Structural Metal Prod.	10.01	10.27	10.00	9.56	9.82	9.55
Metal Stampings	10.07	10.05	9.75	9.88	9.87	9.57
Machinery (Except Electrical)	11.65	11.55	11.47	11.37	11.23	11.18
Engines and Turbines	12.69	12.37	12.41	12.54	12.06	12.17
Farm Machinery and Equip.	13.17	13.10	12.22	12.75	12.76	12.02
Const. and Related Mach.	11.82	11.75	11.69	11.55	11.51	11.44
Metalworking Mach. and Equip.	11.94	12.02	11.55	11.51	11.55	11.12
Spec. Ind. Mach. (Exc. Metal) .	11.56	11.50	11.09	10.99	10.98	10.59
Gen. Industrial Mach. and Equip.	11.93	12.00	11.69	11.66	11.68	11.44
Electrical Mach., Equip. and Supp.	10.01	9.98	9.58	9.74	9.68	9.55
Electrical Industrial Apparatus	10.32	10.38	10.17	10.03	10.04	9.90
Transportation Equipment	13.88	14.05	13.25	13.22	13.43	12.47
Instruments and Related Prod.	8.97	9.00	8.42	8.86	8.87	8.31
Nondurable Goods	9.68	9.77	9.45	9.19	9.31	9.03
Food and Kindred Products	8.80	9.25	8.81	8.37	8.77	8.43
Meat Products	8.82	8.75	9.25	8.50	8.45	8.93
Dairy Products	9.63	9.51	9.19	9.14	9.06	8.81
Textile Mill Products	7.22	7.14	6.92	6.98	6.88	6.63
Apparel and Other Fin. Prod.	6.21	6.12	5.90	6.08	5.89	-
Paper and Allied Products	11.77	11.65	11.19	11.18	11.09	10.66
Pulp and Paper Mills	12.44	12.35	11.78	11.83	11.78	11.19
Printing, Pub. and Allied Prod.	10.77	10.68	10.77	10.22	10.24	-
Chemicals and Allied Products	10.67	10.69	10.42	10.44	10.42	10.20
Rubber and Misc. Plastics Prod.	8.34	8.23	8.03	7.97	7.96	7.79
Leather and Leather Products.	6.57	6.54	6.47	6.33	6.38	6.41

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* JULY	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$382	$386	$370	40.1	40.6	40.3	9.53	9.50	9.19	–	–
Wisconsin	416	423	405	40.9	41.3	40.8	10.18	10.25	9.93	9.80	9.88
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	433	429	414	43.3	42.9	42.8	9.99	9.99	9.68	9.49	9.53
Beloit (City)	300	353	362	33.3	38.3	39.0	9.02	9.22	9.28	–	–
Eau Claire (Eau Claire-Chippewa)	446	420	399	41.5	40.2	40.4	10.75	10.46	9.87	10.10	10.01
Fond du Lac (County)	357	361	377	39.9	41.4	41.6	8.95	8.72	9.06	8.66	8.42
Green Bay (Brown County)	456	459	445	41.6	41.8	42.7	10.95	10.99	10.41	10.35	10.37
Janesville (City)	536	556	545	39.2	40.8	41.1	13.67	13.63	13.27	13.35	13.30
Janesville-Beloit (Rock County)	461	480	465	37.9	40.1	40.2	12.17	11.97	11.57	11.84	11.64
Kenosha (County)	478	515	485	39.3	40.7	41.0	12.16	12.66	11.82	11.79	12.30
La Crosse (County)	340	355	331	36.8	37.5	37.7	9.24	9.47	8.78	8.79	9.02
Madison (Dane County)	395	385	418	41.6	40.4	41.7	9.50	9.52	10.03	9.00	9.07
Manitowoc (County)	353	376	337	38.5	40.2	39.3	9.17	9.35	8.59	9.01	9.12
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	474	475	459	40.9	41.1	40.8	11.58	11.55	11.24	11.06	11.01
Racine (County)	406	421	414	38.8	39.8	39.2	10.47	10.59	10.57	10.24	10.34
Sheboygan (County)	352	386	373	38.0	40.0	39.5	9.25	9.66	9.44	9.11	9.34
Wausau (Marathon County)	408	419	398	42.5	44.0	42.4	9.61	9.53	9.39	9.20	9.12

EMPLOYMENT, MFG. *(Unadjusted)* JULY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,356.0	19,538.0	19,465.0	-0.9	-0.6
Wisconsin	521.9	522.0	527.5	-0.0	-1.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.9	48.3	47.5	-0.8	0.8
Beloit (City)	5.5	5.8	5.9	-5.2	-6.8
Eau Claire (Eau Claire-Chippewa)	9.3	9.1	9.5	2.2	-2.1
Fond du Lac (County)	10.8	11.0	10.7	-1.8	0.9
Green Bay (Brown County)	24.2	23.6	23.7	2.5	2.1
Janesville (City)	11.1	11.0	11.0	0.9	0.9
Janesville-Beloit (Rock County)	18.7	19.0	19.2	-1.6	-2.6
Kenosha (County)	13.2	14.1	16.1	-6.4	-18.0
La Crosse (County)	10.7	10.5	11.0	1.9	-2.7
Madison (Dane County)	22.3	22.0	20.6	1.4	8.3
Manitowoc (County)	11.0	11.0	11.5	0.0	-4.3
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	167.8	170.9	174.1	-1.8	-3.6
Racine (County)	24.9	25.3	25.8	-1.6	-3.5
Sheboygan (County)	18.6	18.9	19.7	-1.6	-5.6
Wausau (Marathon County)	12.0	11.9	11.4	0.8	5.3

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert
Department of Revenue

Consistent with recent forecasts, the current forecast for the national economy calls for continued economic growth during the 1985 to 1987 period. The pace of the economic expansion is projected to be at about the 2.5% level during the remainder of 1985 and 1986 with an acceleration to 3.5% growth in real output in 1987. Inflation is expected to remain under control with the Consumer Price Index increasing 3.5% in 1985, 3.8% in 1986 and 4.6% in 1987. Slow growth in the real economy will limit employment increases to 1.5 to 2%, just enough to keep the unemployment rate from rising, but not enough to bring it down.

Recent events in the financial markets point to a rebound in economic growth in the second half of this year. Interest rates have declined broadly since the second half of last year. Short-term rates are down most dramatically. The yield on 3-month Treasury Bills has fallen to 7.2% currently from a level of 10.3% in the third quarter of 1984. Long-term interest rates have also fallen on the order of 2 percentage points over the same period. These declines in interest rates should have a positive effect on housing and durable goods purchases which normally are financed in large part with debt. In fact, it is surprising that these interest sensitive sectors have not already shown a greater response to the decline in rates.

Another positive recent development has been the weakening of the dollar in the foreign exchange markets. Although the dollar is still 40% above its level of 1980, when its sharp appreciation began, it has declined significantly in recent months. If, as is forecast, this is the beginning of a fundamental adjustment of the dollar to a lower level, it is good news for American manufacturers who have lost both domestic and foreign markets to foreign competitors. A decline in the dollar would also be good news for farmers. U.S. farm exports have been hurt by the strong dollar, and a recovery of export demand could eventually provide some market support for farm commodity prices. However, the forecast does not assume a precipitous decline in the dollar or a dramatic improvement in the U.S. merchandise trade deficit. Instead, a gradual decline in the dollar is projected through 1987 which in turn allows a stabilization of the trade deficit at approximately current levels.

A key assumption is that some progress will be made towards a reduction in a federal government budget deficit. It is assumed that Congress will pass budgets that imply savings of $20 billion in fiscal 1986 and $50 billion in fiscal 1987. This is consistent with recently revised estimates of the Congressional budget resolution and recognizes that some savings called for in the budget resolution -- for example, farm program reductions -- are not likely to be realized in the appropriation process. Although these savings are relatively modest, they would allow for some reduction of new federal borrowing. This is important in order to reduce demand in the credit markets and prevent interest rates from rising. Without such a reduction, and given the relatively modest growth in the money supply which is also assumed, interest rates would increase, the dollar would strengthen and real economic growth would be lower.

A second key assumption is that the Federal Reserve will return money supply growth to within its announced target range. During the first half of the year, growth in the narrowly defined money supply (M1)was in excess of the Federal Reserve's target range. This excessive money supply growth was effectively "forgiven" in July when the Federal Reserve announced revised money supply targets. The current forecast assumes that the Federal Reserve will now be less generous in supplying reserves to the banking system. However, the monetary stimulus provided earlier this year and the recent decline in interest rates should move the economy forward in the second half of this year.

After averaging 4.3% in 1984 and 5.2% in the first half of 1985, real consumption spending growth is expected to average 2.1% through 1986 and then increase to 3.2% in 1987. Consumption spending is likely to be restrained by the current high consumer debt burden. Consumer debt as a percent of disposable income is now above 18%, a level higher than the 1979 cyclical peak.

Despite a reduction in mortgage interest rates, housing starts have not increased significantly during the first half of 1985. This lack of response is not easily explained, but a positive response is expected in the second half of this year with housing starts forecast to increase to over 1.9 million units (annual rate) from the current level of 1.77 million units. Housing starts are forecast to gradually decline thereafter averaging 1.87 million units in 1986 and 1.82 million in 1987.

Spending for business fixed investment is also expected to grow more slowly this year and next compared to 1984. Last year was a banner year for investment spending with real growth of 19.8 percent. During the first half of this year, real investment spending increased at about a 7% annual rate. This rate is expected to diminish further in 1986 to 3.1% and then recover to 6.2% in 1987.

Investment spending this year has been bolstered by the recent strength in nonresidential construction which has grown at an annual rate of about 15% in the first half of this year. However, with vacancy rates for office buildings running at 16% (compared to 3.4% in 1980) a correction is forecast for 1986. Investment in producers durable equipment, by contrast, is projected to grow more steadily, averaging 5.4% real growth this year, 4.1% in 1986 and 7.0% in 1987.

The foreign sector has been a major problem for the U.S. economy during the last year. During 1984, imports increased 27.0% while exports grew only 4.7%. This, of course, caused a significant deterioration in our balance of trade. The strength of the dollar has been a key to the success of our foreign competitors.

With the dollar now declining and expected to decline further over the forecast period, growth of imports should diminish in the second half of this year. In 1986 and 1987 imports are projected to grow by only 3.1% and 3.7% respectively. Exports, after declining in the first two quarters of this year, are expected to turn up in the second half of this year and grow by 8.5% in 1986 and 9.7% in 1987.

Although the impact of foreign competition on U.S. industrial production is not expected to get any worse due to the falling dollar, the stable but large trade deficit is a restraining force. Therefore, industrial production is projected to increase by only 2.6% in 1986 and then accelerate to 4.7% in 1987.

Wisconsin Economic Outlook

The Wisconsin economy is expected to continue on a sustained but moderate recovery path after having perceptibly slowed during the first half of 1985. The recent sluggishness in Wisconsin has mirrored the economic performance in the nation and does not as yet portend weakness. A sustained recovery does not, however, imply a booming economy. Employment and income growth will be modest for the remainder of this year and for the next two years as federal policymakers try to steer the economy through massive trade deficits and federal borrowing needs in competition with private capital demands.

Most of the recent slower growth stems directly from a mounting trade deficit and a high dollar exchange rate, causing goods producers to suffer losses of market share to foreign competition. Interest rates have moved down considerably, but have not yet sparked a resurgence in demand for domestically produced consumer durables and business investment, a large segment of the Wisconsin economic market. If the dollar can continue a gradual descent, the Wisconsin economy is expected to stay on a moderate recovery path.

Total nonfarm job growth in Wisconsin during the second quarter was 3,500 jobs, down consideraly from the first quarter when over 15,000 jobs were added to the economy. Since the trough of the last recession in the first quarter of 1983, nearly 153,000 jobs have been added to the Wisconsin economy. The current level of employment (1,987,400) stands 6,900 higher than the previous peak employment level in the last quarter of 1979.

Employment growth in Wisconsin's goods producing industries (construction, mining, and manufacturing) added 1,000 jobs in the second quarter, compared to 1,700 in the first. Employment in these industries has increased by 51,800 since the early 1983 through. However, current employment levels in the combined goods producing industries, which make up 34.8% of total private employment, remain 98,100 below the previous peak level in the fourth quarter of 1979. While this fact is a well-publicized source of social and economic pain, this situation should not be interpreted as indicating poor Wisconsin performance relative to the rest of the U.S. Goods producing employment growth has been slightly higher in Wisconsin than the U.S. during the recovery.

However, two other broad industry groups have shown recent signs of weakness due to the general slowing of the economy. Distributive industries, composed of wholesale and retail trade and the regulated industries (transportation, communication, utilities) saw a total job gain of only 300 in the second quarter over the first, compared to a gain of 7,800 during the first quarter. Service industries, which include finance, insurance and real estate, added 2,600 jobs during the second quarter, compared to 6,600 in the first. These industries have had employment gains at rates below the national average throughout the recovery period. Most of this subpar performance can be attributed to slower population and income growth during the recovery as overall growth in the state is composed of more growth in low-wage service and trade industries and less growth in the high-wage manufacturing sector.

Total nonfarm wage and salary employment in Wisconsin is now expected to show a gain of 2.6% this year over last. Total employment is projected to grow by 1.1% in 1986 and 2.0% in 1987. Manufacturing employment is expected to be essentially flat during 1985 and 1986, with some rebound in 1987 in response to a better international trade situation. Most employment gains are expected to continue to come in the trade and services industries, but will be restricted to the range of 2-3 percent per year.

Total personal income, adjusted for

(Continued on back cover)

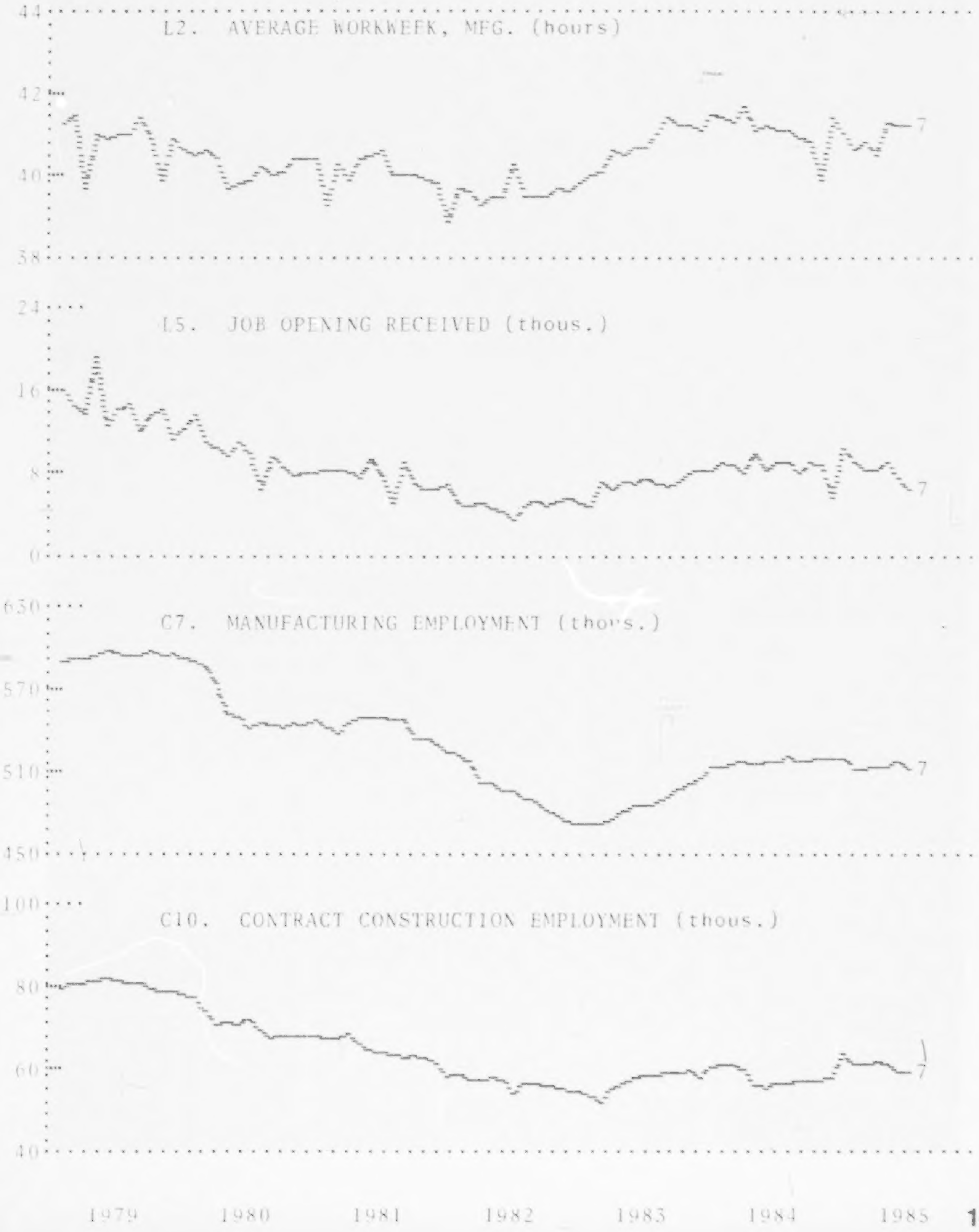
WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

	1983	1984	1985	1986	1987
MANUFACTURING	484.2	517.9	515.4	517.3	528.3
DURABLES	295.7	321.7	317.5	319.1	327.8
LUMBER PRODUCTS	20.2	21.5	21.5	22.0	22.0
STONE, CLAY, GLASS	7.8	7.4	7.1	7.2	7.3
PRIMARY METALS	17.6	19.9	19.9	19.8	20.8
FABRICATED METALS	48.6	50.9	49.5	49.0	52.2
NON-ELECT. MACHINERY	92.7	102.3	101.8	103.5	105.9
ELECTRICAL MACHINERY	49.1	52.6	50.2	48.9	49.9
TRANS. EQUIPMENT	33.3	36.1	35.1	36.5	36.9
OTHER DURABLES	26.3	31.1	32.3	32.3	32.8
NONDURABLES	188.5	196.2	198.0	198.2	200.5
FOOD PRODUCTS	61.7	62.7	63.4	63.5	63.6
PAPER PRODUCTS	46.7	47.2	47.0	47.0	47.6
PRINTING & PUBLISHING	33.6	36.2	37.8	38.6	40.0
CHEMICALS	9.3	9.8	9.9	9.9	10.0
RUBBER & PLASTICS	17.7	20.5	20.9	20.8	20.9
OTHER NONDURABLES	19.5	19.6	19.0	18.5	18.5
MINING	1.9	1.8	1.8	1.9	1.9
CONSTRUCTION	57.7	58.3	61.9	63.6	65.6
TRANS., COMM., UTILITIES	87.1	88.1	90.7	91.3	93.1
FINANCE, INSUR., REAL EST.	98.6	102.2	106.7	110.2	114.7
TRADE	433.3	453.8	472.0	481.8	494.5
SERVICES	388.6	403.9	418.7	425.0	434.5
GOVERNMENT	312.4	313.4	322.1	320.6	318.6
TOTAL EMPLOYMENT (Nonfarm)	1863.7	1939.4	1989.3	2011.8	2051.3

Section

D

CYCLICAL INDICATORS



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(Continued from page 11)

inflation, is also expected to be somewhat weaker, growing 1.8% over 1984. Interest income has already fallen off in response to lower interest rates and farm income remains depressed. Total wages and salaries are expected to grow by slightly less than 5.0% this year and next. Wages and salaries are projected to rebound in 1987 as employment gains combine with higher wage rate inflation to produce total wage and salary gains of 7.2 percent.

Conclusion

The current forecast for Wisconsin remains largely unchanged from prevous forecasts in predicting only moderate employment and income growth through 1987. The overall international and national economic environment place limits on the growth potential of state economies, such as Wisconsin's, which are historically based on durable goods production. The unbalanced national recovery, which has been the product of federal monetary and fiscal policy,has placed unusually severe limits on the growth potential of those sectors of the economy which are sensitive to high real interest rates and import competition. Moderate growth of income and employment in a period of economic recovery is the consequence of the persistence of these inbalances.

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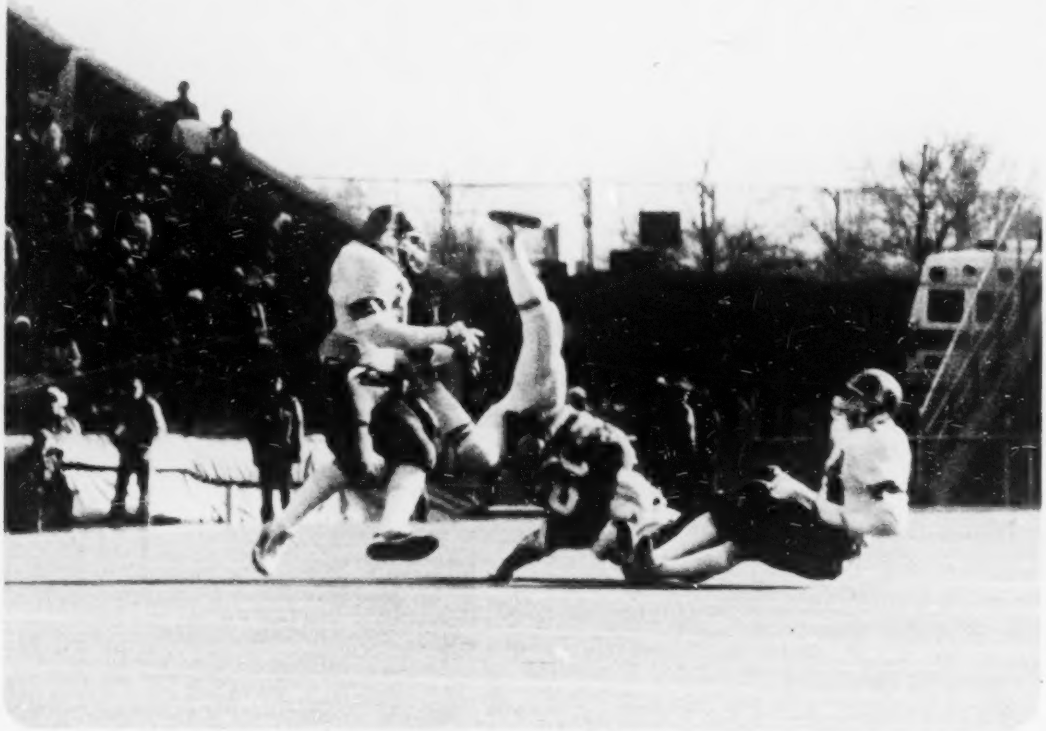
WISCONSIN ECONOMIC INDICATORS

SEPTEMBER 1985



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR AUGUST

LEADING INDICATORS OF WISCONSIN'S ECONOMIC ACTIVITY GAVE MIXED SIGNALS IN AUGUST. EMPLOYMENT INCREASED AND UNEMPLOYMENT DECREASED.

LEADING INDICATORS

The average number of hours per week spent on the job by Wisconsin's production workers remained the same in August as in the previous month. From July to August, the average workweek usually increases slightly.

The workweek average includes overtime, which increased by 0.3 hours per week. The unchanged workweek and increased overtime mean that "straight time" decreased - normal for August. That decrease is usually accompanied with employment growth in manufacturing. Manufacturing jobs did increase this month, but at a subpar rate.

The average weekly initial claims for unemployment compensation decreased in August - by nearly one-third. That is a large decrease even for August. Of all months, August is usually second only to September in initial claims declines.

This month's initial claims decrease occurred with gains in both employment and the labor force. And that indicates real economic advance rather than a lower unemployment rate produced by furloughed workers dropping out of the labor force.

Job openings received by state Job Service offices from Wisconsin employers grew by over a thousand this month. But even that is slightly less than the normal July-to-August pace.

August is historically a weak month for new business incorporations and this month's figure reinforces that. The level of new incorporations dropped by 81, but, the numbers have see-sawed all year and have yet to reveal a trend with more than three months' movement in the same direction.

The net gain in business telephone access lines increased at well above the seasonal pace. And the examinations of building plans for commerical and industrial structures increased significantly in August. Building plans are examined for compliance with state safety codes for commerical and industrial buildings. An increase of examinations foreshadows increased construction employment in the near future, and increased economic activity later.

WISCONSIN LABOR FORCE

Total employment increased from July to August by nearly 12 thousand. That amount of employment activity is unusually large for that period.

Employment levels rose in the manufacturing, retail trade, and service industries. However, total employment had declined one month ago, so, August's strong gain is a rebound from July's anemic performance.

The unemployment level, too, showed a much better change than normal for August. Total joblessness dropped by 9 thousand. What's more, those unemployed in the previous month found work rather than drop out of the labor force. The state's labor force grew by 2,800 workers and job seekers while the unemployment rate dropped by 0.4 percentage points.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	87.2 Aug	77.3	71.4	12.8	22.1	70.1
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.0 Aug	41.0	41.0	0.0	0.0	41.1
Seasonally Adjusted		41.1	41.3	41.1	-0.5	0.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.6 Aug	3.3	3.6	9.1	0.0	3.2
Seasonally Adjusted		3.2	3.4	3.2	-5.9		
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	6,777 Aug	9,951	8,005	-31.9	-15.3	10,817
Seasonally Adjusted		8,778	11,069	10,376	-20.7	-15.4	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	9,463 Aug	8,403	14,386	12.6	-34.2	8,694
Seasonally Adjusted		6,089	6,474	9,256	-5.9	-34.2	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	497 Aug	578	521	-14.0	-4.6	562
Seasonally Adjusted		539	562	565	- 4.1	-4.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	1,802 Aug	1,232	617	46.3	192.1	328
Seasonally Adjusted		1,602	1,402	175	14.3	815.4	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	626 Aug	501	538	25.0	16.4	487
Seasonally Adjusted		588	436	506	34.9	16.2	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	53 Aug	59	52	-10.2	1.9	52
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.3 Aug	6.7	6.2	-	-	7.4
Seasonally Adjusted		6.6	6.9	7.3	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	110.3 Jul	113.7	110.0	-3.0	0.3	252.5
Seasonally Adjusted		243.5	229.7	242.7	6.0	0.3	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	12,966 Aug	20,424	17,709	-36.5	-26.8	16,066
Seasonally Adjusted		11,421	21,289	15,607	-46.4	-26.8	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1998.5 Jul	1858.5	1958.2	7.5	2.1	1865.8
Seasonally Adjusted		1887.2	1851.1	1849.4	2.0	2.0	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	171.1 Aug	73.8	85.7	131.8	99.6	89.4
Seasonally Adjusted		268.2	82.1	134.4	226.7	99.6	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS.	527.0 Aug	522.2	537.6	0.9	-2.0	518.3
Seasonally Adjusted		511.7	513.0	522.0	-0.3	-2.0	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	412.05 Aug	417.38	403.03	-1.3	2.2	412.46
Seasonally Adjusted		423.05	424.17	413.65	-0.3	2.3	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	458.9 Dec	494.0	430.8	-7.1	6.5	435.9
Seasonally Adjusted		444.5	443.4	416.0	0.2	6.9	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	67.4 Aug	67.2	64.8	0.3	4.0	58.3
Seasonally Adjusted		59.1	59.5	56.9	-0.7	3.9	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5,966 Aug	6,776	6,114	-12.0	-2.4	6,101
Seasonally Adjusted		5,866	6,045	6,012	-3.0	-2.4	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	2,981 Aug	3,524	3,042	-15.4	-2.0	3,438
Seasonally Adjusted		3,327	3,455	3,393	-3.7	-1.9	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	2,985 Aug	3,252	3,072	-8.2	-2.8	2,663
Seasonally Adjusted		2,560	2,681	2,635	-4.5	-2.8	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	4,653 Aug	4,869	5,496	-4.4	-15.3	3,420
Seasonally Adjusted		3,172	3,554	3,747	-10.7	-15.3	
X5 CONSUMER PRICE INDEX (MILW.)							
Unadjusted	INDEX	331.1 Jul	330.9	321.3	0.1	3.1	320.6
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	127 Aug	128	144	-0.8	-11.8	144
Seasonally Adjusted		127	130	144	-2.3	-11.8	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	3,941 Aug	-1,267	2,873	411.0	37.2	750
Seasonally Adjusted		1,444	1,517	317	-4.8	355.5	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	2,082 Aug	598	104	248.2	1901.9	520
Seasonally Adjusted		1,380	462	69	198.7	1900.0	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER						
Unadjusted		27,691 Aug	28,561	28,768	-3.0	-3.7	28,186
Seasonally Adjusted		26,473	26,059	27,492	1.6	-3.7	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2397.6	2394.8	2405.2	0.1	-0.3
Employment (Inc. Labor Disputes)	2245.8	2233.9	2256.2	0.5	-0.5
Unemployment	151.8	160.8	149.0	-5.6	1.9
Unemployment Rate	6.3	6.7	6.2	–	–
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2370.9	2370.7	2424.0	0.0	-2.2
Employment (Inc. Labor Disputes)	2215.6	2207.6	2246.4	0.4	-1.4
Unemployment	155.3	163.1	177.6	-4.8	-12.6
Unemployment Rate	6.6	6.9	7.3	–	–

WISCONSIN EMPLOYMENT ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1999.8	1989.6	1963.6	0.5	1.8
Unadjusted					
Manufacturing	524.9	521.8	537.5	0.6	-2.3
Mining	2.2	2.2	2.1	0.0	4.8
Contract Construction	67.4	67.2	64.8	0.3	4.0
Transportation and Public Utilities	88.5	88.5	87.1	0.0	1.6
Elec., Gas and Sanitary Services	17.8	17.8	17.5	0.0	1.7
Wholesale Trade	101.5	101.3	102.5	0.2	-1.0
Retail Trade	381.3	377.1	362.8	1.1	5.1
General Merchandise	48.2	47.9	47.5	0.6	1.5
Finance, Insurance and Real Estate	108.4	108.4	104.1	0.0	4.1
Banking	29.3	29.1	27.9	0.7	5.0
Insurance	33.6	33.9	32.4	-0.9	3.7
Service and Miscellaneous	430.6	425.6	415.1	1.2	3.7
Hospitals	67.3	67.6	69.8	-0.4	-3.6
Private Education	21.4	21.4	22.2	0.0	-3.6
Government	295.1	297.6	287.5	-0.8	2.6
State Government	77.8	76.8	74.3	1.3	4.7
Local Government	189.2	192.7	186.1	-1.8	1.7

UNITED STATES LABOR FORCE ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	115,299	115,314	113,629	-0.0	1.5
Employment	107,172	106,862	105,148	0.3	1.9
Unemployment	8,127	8,451	8,481	-3.8	-4.2
Unemployment Rate	7.0	7.3	7.5	–	–

MANUFACTURING EMPLOYMENT *(Unadjusted)* AUGUST	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	524.9	521.8	537.5
All Manufacturing (Excluding Canning)	504.4	505.6	516.3
Durable Goods	313.7	316.1	326.1
Lumber and Wood Prod., (Except Furniture)	22.8	22.6	22.3
Sawmills and Planning Mills	3.3	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	10.3	10.3	10.2
Furniture and Fixtures	11.4	11.1	10.7
Household Furniture	4.8	4.7	4.6
Stone, Clay and Glass Products	7.5	7.6	7.6
Concrete, Gypsum and Plaster Products	3.3	3.3	3.2
Primary Metal Industries	19.7	19.4	20.7
Iron and Steel Foundries	10.9	10.7	11.6
Fabricated Metal Products	48.7	49.1	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	4.7	4.8	5.7
Fabricated Structural Metal Products	11.9	12.0	12.1
Metal Stampings	11.6	11.8	12.6
Machinery (Except Electrical)	98.5	100.6	102.5
Engines and Turbines	18.4	19.2	19.9
Farm Machinery and Equipment	11.7	12.0	13.8
Const., Min. & Material Handling Mach. & Equip.	10.4	10.4	11.2
Metalworking Machinery and Equipment	12.2	11.9	11.6
Special Industry Machinery (Except Metalworking)	11.6	11.2	11.0
General Industrial Machinery and Equipment	14.7	14.7	15.3
Service Industry Machines	5.9	7.9	7.9
Electrical Machinery, Equipment and Supplies	49.6	49.7	53.0
Electrical Industrial Apparatus	17.9	18.0	18.1
Household Appliances	6.4	6.5	7.1
Transportation Equipment	34.3	34.8	36.8
Motor Vehicles and Equipment	26.8	27.6	30.0
Instruments and Related Products	10.6	10.5	10.8
Miscellaneous Manufacturing	10.7	10.7	10.2
Nondurable Goods	211.2	205.7	211.4
Food and Kindred Products	73.8	69.9	74.6
Meat Products	14.7	14.9	14.5
Dairy Products	19.1	19.1	18.1
Canning and Preserving	20.4	16.2	21.2
Bakery Products	3.8	3.8	4.0
Beverage Industries	8.1	8.4	9.1
Textile Mill Products	5.1	5.1	5.0
Knitting Mills	4.3	4.3	4.2
Apparel and Other Finished Products	7.0	6.8	6.8
Paper and Allied Products	48.8	48.0	48.6
Pulp and Paper Mills	30.4	29.8	30.5
Converted Paper and Paperboard Products	10.0	9.8	9.7
Paperboard Containers and Boxes	7.2	7.2	7.1
Printing, Publishing and Allied Industries	38.0	38.0	36.8
Newspapers	12.0	11.8	11.5
Commercial Printing	15.8	16.0	15.5
Chemicals and Allied Products	10.1	10.2	10.1
Rubber and Misc. Plastics Products	21.0	21.0	21.0
Miscellaneous Plastics Products	16.9	16.7	16.4
Leather and Leather Products	7.0	6.3	8.1
Leather Tanning and Finishing	1.7	1.8	2.0
Footwear (Except Rubber)	3.8	3.1	4.2
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$412	$417	$403	41.0	41.0	41.0
All Manufacturing (Excl. Canning)	422	424	412	41.0	41.0	41.0
Durable Goods	425	428	419	40.8	40.7	41.1
Lumber/Wood Prod. (Exc. Furn.)	319	316	304	41.9	41.6	40.8
Furniture and Fixtures	320	294	311	41.7	39.6	41.8
Stone, Clay and Glass Products	410	412	399	43.2	42.8	41.7
Primary Metal Industries	405	403	403	40.7	40.7	41.8
Iron and Steel Foundries	409	409	418	40.8	41.1	42.5
Fabricated Metal Products	411	401	402	40.5	39.9	40.3
Fab. Structural Metal Prod.	446	429	432	43.7	42.7	42.6
Metal Stampings	397	387	371	39.2	38.4	38.1
Machinery (Except Electrical)	475	490	469	41.4	42.1	41.4
Engines and Turbines	498	557	480	39.9	44.1	40.5
Farm Machinery and Equip.	517	554	507	41.6	42.0	41.2
Const. and Related Mach.	492	493	489	41.6	41.7	41.4
Metalworking Mach. and Equip.	506	509	503	42.3	42.7	43.5
Spec. Ind. Mach. (Exc. Metal)	503	492	481	43.6	42.4	43.2
Gen. Industrial Mach. and Equip.	485	482	502	40.2	40.1	42.5
Electrical Mach., Equip. and Supp.	397	396	390	39.7	39.6	41.1
Electrical Industrial Apparatus	417	416	430	39.6	40.3	42.5
Transportation Equipment	545	553	535	40.1	40.1	40.7
Instruments and Related Prod.	341	340	346	37.8	37.7	40.5
Nondurable Goods	395	400	379	41.4	41.3	40.9
Food and Kindred Products	340	350	336	40.3	39.9	40.0
Meat Products	318	339	364	37.0	38.4	39.1
Dairy Products	392	395	372	40.7	41.0	39.3
Textile Mill Products	283	277	289	39.7	38.4	41.3
Apparel and Other Fin. Prod.	247	250	230	39.8	40.2	37.9
Paper and Allied Products	553	548	510	46.6	46.6	45.6
Pulp and Paper Mills	604	603	550	48.1	48.4	46.8
Printing, Pub. and Allied Prod.	422	422	408	39.1	39.0	38.3
Chemicals and Allied Products	437	433	430	41.2	40.8	41.1
Rubber and Misc. Plastics Prod.	317	333	330	38.7	39.7	39.9
Leather and Leather Products.	253	258	250	39.9	39.2	37.7

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.05	10.18	9.83	9.71	9.81	9.48
All Manufacturing (Excl. Canning)	10.29	10.35	10.05	9.91	9.97	9.68
Durable Goods	10.42	10.52	10.20	10.11	10.21	9.86
Lumber/Wood Prod. (Exc. Furn.)	7.62	7.60	7.44	7.50	7.47	7.30
Furniture and Fixtures	7.67	7.43	7.45	7.51	7.33	7.32
Stone, Clay and Glass Products	9.49	9.63	9.58	9.24	9.38	9.28
Primary Metal Industries	9.96	9.91	9.63	9.60	9.58	9.20
Iron and Steel Foundries	10.02	9.95	9.84	9.71	9.68	9.40
Fabricated Metal Products	10.15	10.05	9.98	9.78	9.70	9.54
Fab. Structural Metal Prod.	10.20	10.04	10.13	9.61	9.52	9.64
Metal Stampings	10.13	10.07	9.75	9.91	9.88	9.59
Machinery (Except Electrical)	11.47	11.65	11.33	11.18	11.37	11.01
Engines and Turbines	12.48	12.64	11.84	12.23	12.49	11.57
Farm Machinery and Equip.	12.43	13.18	12.31	12.03	12.75	12.12
Const. and Related Mach.	11.82	11.82	11.80	11.57	11.55	11.58
Metalworking Mach. and Equip.	11.97	11.92	11.57	11.52	11.47	11.01
Spec. Ind. Mach. (Exc. Metal) .	11.53	11.61	11.14	10.91	11.02	10.60
Gen. Industrial Mach. and Equip.	12.06	12.01	11.80	11.77	11.74	11.29
Electrical Mach., Equip. and Supp.	10.00	10.01	9.48	9.68	9.75	9.27
Electrical Industrial Apparatus	10.52	10.32	10.26	10.18	10.03	10.16
Transportation Equipment	13.60	13.79	13.15	13.09	13.21	12.57
Instruments and Related Prod.	9.02	9.03	8.55	8.87	8.88	8.33
Nondurable Goods	9.53	9.69	9.27	9.11	9.21	8.89
Food and Kindred Products	8.44	8.78	8.39	8.12	8.35	8.10
Meat Products	8.59	8.83	9.31	8.33	8.51	8.98
Dairy Products	9.63	9.63	9.47	9.16	9.14	9.09
Textile Mill Products	7.14	7.22	7.00	6.92	6.98	6.70
Apparel and Other Fin. Prod.	6.21	6.21	6.07	6.02	6.08	5.96
Paper and Allied Products	11.87	11.77	11.19	11.30	11.20	10.71
Pulp and Paper Mills	12.56	12.45	11.76	11.97	11.84	11.27
Printing, Pub. and Allied Prod.	10.79	10.81	10.64	–	–	–
Chemicals and Allied Products	10.61	10.61	10.47	10.38	10.37	10.23
Rubber and Misc. Plastics Prod.	8.19	8.39	8.26	7.89	8.02	7.86
Leather and Leather Products.	6.35	6.57	6.63	6.15	6.33	6.55

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* AUGUST	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$384	$382	$370	40.4	40.1	40.4	9.50	9.52	9.15	–	–
Wisconsin	412	417	403	41.0	41.0	41.0	10.05	10.18	9.83	9.71	9.81
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	432	433	406	42.9	43.3	42.2	10.08	10.00	9.61	9.59	9.50
Beloit (City)	360	347	362	38.9	37.8	38.8	9.25	9.17	9.35	–	–
Eau Claire (Eau Claire-Chippewa)	427	457	437	40.9	42.4	42.0	10.43	10.78	10.40	9.98	10.12
Fond du Lac (County)	365	357	383	41.6	39.9	42.7	8.78	8.95	8.97	8.40	8.66
Green Bay (Brown County)	451	456	423	41.3	41.6	40.5	10.92	10.95	10.44	10.30	10.35
Janesville (City)	479	537	489	36.6	39.3	38.8	13.10	13.67	12.61	12.92	13.35
Janesville-Beloit (Rock County)	437	473	440	37.9	39.0	38.9	11.54	12.14	11.31	11.33	11.80
Kenosha (County)	476	478	478	39.6	39.3	40.6	12.01	12.16	11.77	11.63	11.79
La Crosse (County)	305	341	338	38.0	36.8	38.3	8.03	9.26	8.83	7.57	8.67
Madison (Dane County)	392	397	18	42.1	41.6	43.4	9.32	9.55	9.63	8.82	9.02
Manitowoc (County)	341	352	32	38.8	38.5	37.9	8.80	9.14	8.53	8.49	8.97
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	466	470	458	40.3	40.7	40.9	11.56	11.56	11.20	11.02	11.06
Racine (County)	411	406	425	39.5	38.7	39.6	10.40	10.49	10.73	10.07	10.26
Sheboygan (County)	367	351	372	39.1	37.9	39.5	9.39	9.27	9.41	9.17	9.14
Wausau (Marathon County)	401	409	396	41.4	42.4	42.2	9.68	9.64	9.38	9.26	9.23

EMPLOYMENT, MFG. *(Unadjusted)* AUGUST	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,516.0	19,319.0	19,666.0	1.0	-0.8
Wisconsin	524.9	521.8	537.5	0.6	-2.3
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.9	47.9	48.0	2.1	1.9
Beloit (City)	5.7	5.4	5.7	5.6	0.0
Eau Claire (Eau Claire-Chippewa)	9.1	9.2	9.4	-1.1	-3.2
Fond du Lac (County)	10.7	10.8	10.9	-0.9	-1.8
Green Bay (Brown County)	24.8	24.2	24.4	2.5	1.6
Janesville (City)	11.0	11.1	11.0	-0.9	0.0
Janesville-Beloit (Rock County)	19.1	18.6	19.1	2.7	0.0
Kenosha (County)	12.5	13.2	16.7	-5.3	25.1
La Crosse (County)	8.9	10.8	11.1	-17.6	-19.8
Madison (Dane County)	22.0	22.2	21.0	-0.9	4.8
Manitowoc (County)	11.5	11.1	11.9	3.6	-3.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	167.8	168.1	175.6	-0.2	-4.4
Racine (County)	24.5	24.8	26.0	-1.2	-5.8
Sheboygan (County)	19.0	18.7	20.1	1.6	-5.5
Wausau (Marathon County)	12.0	12.0	11.3	0.0	6.2

THE CONSUMER PRICE INDEX REVISITED

by Stephen B. Blumenfeld

A one percentage point increase in the number translates into an increase in federal spending of over $2 billion. This, in turn, impacts on the size of the federal deficit. Nearly two-fifths of federal budget outlays as well as many union contracts, pensions and even divorce settlements are linked to it. It is the most universally watched measure of inflation. It is referred to as the world's most politically charged number. It determines the income of nearly 80 million Americans.

The number is the Consumer Price Index (CPI). The CPI is a measure of the change in prices for a fixed market basket of goods and services that Americans buy on a day-to-day basis. Included in the "market basket" are food, clothing, shelter, fuel, drugs, transportation fares and medical fees. The quantity of the item used in calculating the index remains the same from month to month, so that only price changes will be measured.

While the CPI is often referred to as the "Cost-of-Living Index", it actually measures only a change in prices, which is just one of a number of significant factors affecting living costs.

BACKGROUND

The Consumer Price Index was initiated during the First World War, when it was used to calculate cost-of-living adjustments in wages for the nation's shipyard workers. Since then, the CPI has become the main yardstick for adjusting the wages and benefits of Americans for the rate of inflation. Regular publication of a national index was begun in 1921.

At periodic intervals -- roughly every ten to fifteen years -- a new base year for the CPI is selected. An index number of 100 is assigned to represent the average level of market basket prices in the base year. If, for instance, prices should rise 20 percent above the base, the CPI would stand at 120.

Each month, BLS announces the index level for the previous month. Month-to-month changes are converted into percentages and compounded over twelve months to get an annual rate. The annual rate is the figure used by many to measure the rate of inflation.

As a consequence of changes in factors such as relative prices, real income, geographic location and tastes, consumers tend to alter their buying habits. Therefore, it becomes necessary to revise the Consumer Price Index periodically. A new list of items included in the market basket of goods and services must be selected so that the market basket accurately reflects day-to-day consumption patterns.

CONSUMER EXPENDITURE SURVEY

Before any changes in the Consumer Price Index are made, data compiled from the most recent Survey of Consumer Expenditures of the Bureau of Labor Statistics are used to select and weight a new list of items to be priced in the index. Consumer Expenditure Surveys are studies of family living in which the primary focus is on collecting information on day-to-day household expenditures for goods and services. Data pertaining to family income, savings habits, demographics and lifestyle are also collected. The 1917-19 survey used in determining the initial Consumer Price Index was the third Consumer Expenditure Survey conducted by BLS.

Consumer surveys conducted during the economic depression of the 1930's indicated marked changes in the consumption patterns of American consumers since the 1917-19 survey, underscoring the necessity for new information in this realm. Between 1935 and 1936, the Bureau of Labor Statistics participated in a study of consumer habits of American households which presented estimates used to select a new list of items included in the market basket of goods and services to be priced.

EARLY CHANGES IN THE CPI

Based on the information obtained through the 1935-36 survey, the Consumer Price Index was revised in 1940. Prior to 1940, the index measured price changes only for the items actually priced and only in the 32 cities used in the Consumer Expenditure Survey. Scientific sampling techniques were introduced with the 1940 revision which then premitted the CPI to represent price changes in all cities for all items purchased for consumption.

During the Second World War, the weights applied to the market basket items were adjusted to reflect shortages of scarce commodities and rationed goods. In 1951, interim adjustments, designed to reflect the effects of immediate postwar changes and based on experimental surveys conducted by BLS in seven cities following the war, were made.

The first extensive postwar revision of the CPI was completed early in 1953. The 1953 revised CPI updated the item samples priced, incorporating weights from the 1950 Consumer Expenditure Survey. Several improvements in pricing and calculation methods were introduced at that time. Smaller urban areas were added to the sample in an effort to make the index more representative of prices paid by all urban wage-earners and clerical worker families.

The next revision of the CPI, completed in 1964, introduced new expenditure weights based on information from the 1960-61 survey of spending patterns.

In response to growing suburban areas during the 1950's, the CPI, for the first time, included them in the metropolitan area samples.

The growth of computer applications during the 1960's made it feasible to employ advanced statistical procedures and to produce monthly estimates of price changes which were previously not possible. For the 1964 revision of the CPI, the computer was used to process estimates of expenditures and indexes.

THE 1978 REVISION

Recognition of the fact that the American population had changed dramatically since the end of World War II led to recommendations in the 1960's that the population covered in the Consumer Price Index be expanded. Before the war, "Urban Wage Earners and Clerical Workers", the population used in determining the CPI, consisted primarily of renters living in densely-populated urban areas. This orientation toward the urban worker meant that the consumption habits of salaried professionals, self-employed persons, retirees and the unemployed were not considered in the calculation of the index.

Citing the changing makeup of the American population -- primarily the growth of middle-income families and migration away from urban centers to the suburbs, the Department of Labor contended that the CPI was not representative of a broad enough population to be a true measure of the spending patterns of typical American consumers. In addition, since the 1960-61 Consumer Expenditure Survey, several important changes affecting the economic status of the typical American family had occurred: family incomes had risen dramatically, there had been a significant growth in the number of dual-income families and overall lifestyles had changed. Therefore, it was concluded, that another revisions of the CPI was necessary.

Incorporating new expenditure weights from the 1972-73 Consumer Expenditure Survey, new retail outlet samples from the 1974 Point of Purchase Survey, and population data from the 1970 census, a revised Consumer Price Index was released in January of 1978. A significant event, however, was the introduction of a second index, which the Labor Department's Bureau of Labor Statistics claimed would more accurately measure the prices of goods and services that most Americans purchase.

The CPI for "All Urban Consumers" the second index, took into account the consumption habits of professional and salaried workers, the self-employed, short-term or part-time workers, the unemployed, retirees, and others not in the labor force, in addition to wage earners and clerical workers included in the original CPI. The new index covered an estimated 80 percent of all consumers, whereas the CPI for "Urban Wage Earners and Clerical Workers" represented the buying patterns of only about 40 percent of the population. (The 20 percent not measured in either index includes people living on farms and those in the military.)

The Consumer Price Index for "All Urban Consumers" has come to be referred to as "CPI-U", and the Consumer Price Index for "Urban Wage Earners and Clerical Workers" is now known as "CPI-W". The two indexes differ primarily in the weighting used and are usually very close.

THE 1980's

Because of a growing belief that the index exaggerated the rate of inflation, by 1980, public confidence in the Consumer Price Index had begun to erode. In 1982, Janet Norwood, Commissioner of the Bureau of Labor Statistics at the Department of Labor declared, "a growing number of people feel that there is something wrong with the index, and it is essential that public confidence in it be maintained."

The volatile economic conditions of the 1970's augmented the widely-held belief that there was a need for more timely data than could be supplied by surveys conducted once every decade or so. Therefore, in 1980, the Survey of Consumer Expenditures was begun on an ongoing basis, with rotating panels of respondents interviewed on a continuous basis.

Information from the Survey of Consumer Expenditures since the 1980-81 survey has been provided annually and may possibly be provided even more frequently in the future. More timely information on the consumption patterns of different kinds of families is therefore available, and the weights and associated pricing samples used in determining the CPI can be more frequently revised.

Another problem felt to exist concerned the measurement of homeownership costs in determining the CPI.

With the release of the 1983 Consumer Price Index, the "homeownership" component in the CPI-U was changed to "rental equivalency". In the past, the measure included several elements of homeownership, such as mortgage rates, home prices, financing costs and property taxes. The rental equivalence measure gauges the change in

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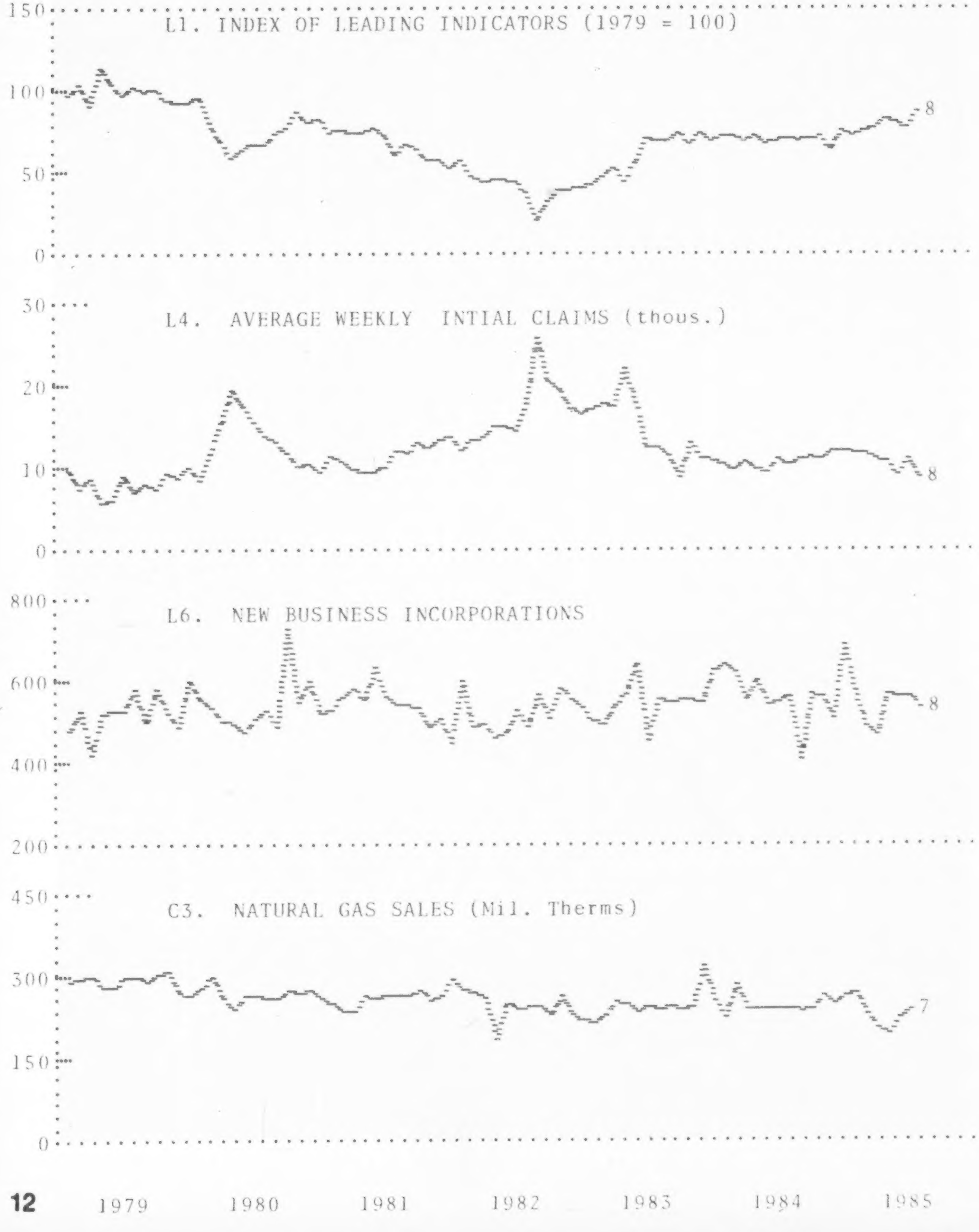
CYCLICAL INDICATORS



Section

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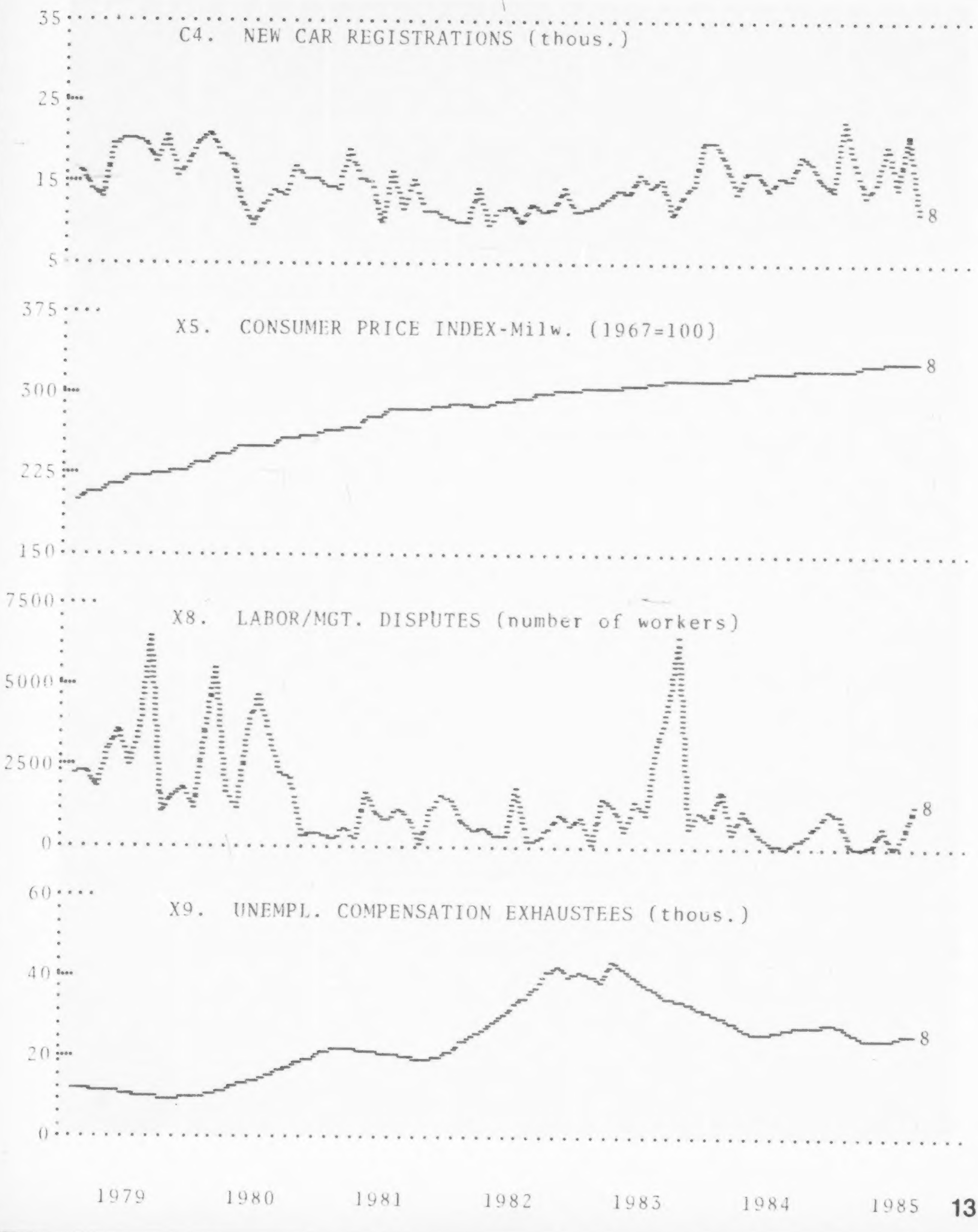
CYCLICAL INDICATORS



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shelter costs as the change in rents which would be paid if a home were rented rather than owned. The new technique, in effect, changed the homeownership component from a method which included investment as well as consumption elements, to a "flow-of-services" approach which measures only the cost of shelter services "consumed" by homeowners. Thus, rental equivalence is consistent with the underlying concept of CPI as a measure of price change for consumption because it reflects only the cost of consuming shelter services provided by owner-occupied homes -- that is, the rent that would be paid were the home not owned.

In January of this year, the CPI-W was also changed so that the homeownership component of this index corresponded with that of the CPI-U. The CPI-W is used in determining cost-of-living adjustments (COLA's) in most government benefit programs, such as social security, and labor contracts for private industry. BLS, therefore, decided it best to notify all those who use the CPI-W well in advance of the actual change. Thus, while the change in the CPI-U took place two years prior, the homeownership component of the CPI-W was not changed to rental equivalency until this past January.

FUTURE IMPROVEMENTS IN THE CPI

The Bureau of Labor Statistics plans another overhaul of the Consumer Price Index in 1987. This revision of the CPI, in addition to updating the housing sample based on the 1980 census, will enhance the rental equivalence method. The new housing sample will proportionally represent both owners and renters.

The 1987 revision will also reflect a reliance upon the composite estimation of relative importances rather than of mean expenditures of the item categories. The "relative importance" of a market basket item expresses the mean expenditure for the given item as a percentage of all expenditures. This change is an attempt to insure that the CPI more accurately reflects the prices of goods and services people actually buy.

Changes introduced in the past have reflected not only the experience and research of BLS, but also criticism based on outside investigations. Future assessment of the CPI's quality will undoubtedly offer ways in which the index might be further improved. Ideally, the index should reflect the spending patterns of all consumers and of particular subgroups within the population - wage earners and clerical workers, retires, agricultural workers. As time and resources become available, the Bureau of Labor Statistics will be able to provide a more accurate Consumer Price Index, covering a broader range of the American population.